

COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA



Live Oaks frame the Greenway

ANNUAL COMPREHENSIVE FINANCIAL REPORT

A Component Unit of the State of South Carolina

FOR THE FISCAL YEAR ENDED JUNE 30, 2026

PREPARED BY
THE CONTROLLER'S OFFICE

COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA



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COLLEGE OF CHARLESTON

ANNUAL COMPREHENSIVE FINANCIAL REPORT



The Sotille Clock is all dressed up for the holidays

INTRODUCTORY SECTION



Andrew T. Hsu, Ph.D.
President

October 1, 2026

Dear Friends of the College of Charleston:

It is my pleasure to present the Annual Comprehensive Financial Report of the College of Charleston for the fiscal year ending June 30, 2026. It documents the fiscal status of the institution and our accountability in managing the assets of the College.

During the 2025–26 academic year, the College of Charleston continued to make great strides in implementing its 10-year strategic plan, *Tradition and Transformation*. College faculty and staff continue to develop and implement key initiatives that enhance student success, academic distinction and employee success across our campus.

The College remains a healthy, vibrant university with a reputation gaining strength and esteem on the national stage. This year, the College achieved historic milestones, including a record \$47 million raised through philanthropy and a record number of applications for its incoming first-year class, yielding our largest first-year cohort in school history for fall 2026. Notably, both our annual fundraising totals and first-year application numbers have tripled since 2019.

Along with everyone in our campus community, I look forward to building on the many successes of the past year as we continue the exciting work of elevating and lifting the College of Charleston to even greater heights.

Sincerely,

Andrew T. Hsu

LETTER OF TRANSMITTAL

October 1, 2026

**To President Hsu,
Members of the Board of Trustees, and
Citizens of South Carolina**

FORMAL TRANSMITTAL REQUIREMENTS

We proudly present to you the Annual Comprehensive Financial Report (the report) for the College of Charleston (the College) for the year ended June 30, 2026. This report contains the financial statements of the College as well as other information useful to those we serve and to whom we are accountable. The report includes four major sections: Introductory, Financial, Required Supplementary Information, and Statistical, as well as all disclosures necessary for the reader to gain an understanding of the College's financial operations.

Legal Requirement

As a lump-sum agency of the State of South Carolina (the State), the College is required to provide a complete set of audited financial statements by October 1 of each year for incorporation into the statewide Annual Comprehensive Financial Report. This report fulfills the requirements for the fiscal year ended June 30, 2026. The College is included in the statewide Annual Comprehensive Financial Report as a component unit in accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus-an Amendment of GASB Statements No. 14 and No. 34*.

Assumption of Responsibility

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, is assumed by the College of Charleston. We believe that, to the best of our knowledge and based upon a strong system of internal control, the data contained herein is accurate in all material respects and is reported in a manner designed to present fairly the College's financial position as well as revenues, expenses, changes in net position, and cash flows.

Internal Control

The objective of internal controls is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The cost of a control should not exceed the benefits it provides. The College's management is responsible for establishing and maintaining internal control policies and procedures to safeguard the College's assets. As part of this responsibility, management ensures that its financial statements are prepared in conformity with generally accepted accounting principles (GAAP). In addition, reasonable controls are in place to ensure that: access to the College's assets is granted only with appropriate management authorization; transactions are executed in accordance with the authorization of management; transactions are recorded timely and based on criteria applicable to state guidelines, GAAP, GASB (Governmental Accounting Standards Board), and criteria developed by the National Association of College and University Business Officers; and general ledger accounts are reconciled timely.

The College of Charleston's Office of Internal Audit periodically reviews procedures and issues reports with recommendations for system improvements. This office reports directly to the President but has an open and unrestricted reporting relationship with the Audit and Governance Committee of the Board of Trustees.

Independent Audit

Audits are conducted annually by an independent audit firm. For the fiscal year ended June 30, 2026, Cherry Bekaert LLP conducted the audit. The auditor's report appears at the front of the Financial Section and expresses an unmodified opinion on the College's financial statements.

Furthermore, Cherry Bekaert LLP audits the College's federal programs to ensure compliance with the requirements of the Code of Federal Regulations Part 200 (Uniform Grants Guidance), Subpart F-Audit Requirements. Additionally, in accordance with National Collegiate Athletic Association (NCAA) Bylaw 20.2.4.17, Cherry Bekaert LLP will perform the engagement work of the agreed-upon procedures of the College's Department of Athletics. The most recent engagements (fiscal year 2025) detected no findings related to the College's federal and athletic programs. Finally, the College is audited periodically by the State Fiscal Accountability Authority Procurement Services to ensure compliance with the provisions of the South Carolina Procurement Code.

Reference to Management's Discussion & Analysis (MD&A)

The letter of transmittal complements and should be read in conjunction with MD&A. The discussion focuses on recent activities, accounting changes, and currently known facts.

INSTITUTIONAL PROFILE

Basic Information

The College of Charleston is a state-supported, coeducational institution of higher education. The Board of Trustees is the governing body of the College and is responsible for its administration and management. Founded in 1770 and chartered in 1785, the College is the oldest educational institution south of Virginia and the thirteenth-oldest in the United States. Today, this thriving academic institution offers a superior liberal arts and sciences education for more than 11,700 undergraduate and graduate students. The College has eight academic schools, an honors college, and the Graduate School of the University of Charleston, South Carolina. These schools offer 8 undergraduate certificates, 81 undergraduate degrees, 88 minors, 19 graduate degrees, 14 graduate certificate programs, and 3 doctoral programs.

The College of Charleston is committed to attracting the most promising students from South Carolina and other states and nations. Out-of-state and international students comprise 50 percent of the student enrollment, with 52 states and U. S. territories and 65 foreign countries represented in fall 2025.

Component Units

The College of Charleston and its graduate school are a component unit of the State of South Carolina. The funds of the College of Charleston are included in the Annual Comprehensive Financial Report of the State of South Carolina.

Governmental Accounting Standards Board (GASB) Codification Sections 2100: Defining the Financial Reporting Entity and 2600: Reporting Entity and Component Unit Presentation and Disclosure provide criteria for determining whether certain organizations should be reported as component units based on the nature and significance of their relationship to the related entity. Based on these criteria, the College determined that the College of Charleston Foundation and the College of Charleston Athletic Fund are component units. Consequently, the financial statements include the accounts of these entities as discretely presented component units.

Budget

The College prepares an annual operating budget that provides reasonable estimates of revenues and expenditures. The annual budgetary process includes an operating budget for educational and general activities, as well as auxiliary enterprises. Budgets for sponsored programs and capital projects are established and maintained individually throughout the year. Executive management develops a budget based on consultations with academic leaders and division heads. The resulting comprehensive budget includes mandated spending, inflationary costs, and strategic investments informed by the College's strategic plan. The proposed budget is presented to the Board of Trustees for approval, and budget status updates are provided quarterly. Responsibility for budgetary control rests at the departmental level, with oversight provided by the College's executive management.

Accolades

The College of Charleston has received top marks in the ***U.S. News & World Report*** Best Colleges 2027 rankings. Among Southern Regional Universities, the College ranks as follows:

- No. 8 in Regional Universities
- No. 3 in Top Public Regional Universities
- No. 8 in Best Value Schools for In-State Students
- No. 4 in Best Colleges for Veterans
- No. 4 in Best Undergraduate Teaching
- No. 5 in Most Innovative Schools

The College is also ranked in the following categories:

- Best Value Schools
- Best Undergraduate Business Programs
- Best Undergraduate Engineering Programs
- Best Undergraduate Psychology Programs
- Best Undergraduate Computer Science Programs
- First-Year Experiences
- Top Performers on Social Mobility
- Graduate School – Best Business Schools
 - Accounting
 - Executive MBA
- Graduate School – Best Public Affairs Programs

U.S. News & World Report has published its Best Colleges rankings since 1983. According to its website, the rankings provide a starting point for families seeking the best academic reputation, return on investment, and best-value schools. The rankings are a guide to discovering the best-fit schools, based on academic and personal considerations, including the majors offered, the clubs and activities available, and the ease of fitting into campus life.

In 2026, **House Beautiful** ranked the College among the 39 most stunning college campuses in the world. For the 25th straight year, **The Princeton Review** has recognized the College of Charleston as one of the top universities in the country for 2027. Since 1992, The Princeton Review has released this annual guide of the best colleges in the United States. The guide highlights the universities it recommends to students and families as the best for undergraduates. Only about 14 percent of America's 2,800 four-year colleges are profiled in the publication.

The Princeton Review also selected the College as one of the top 50 colleges "That Create Futures", as well as ranking the College as one of its top Green Colleges, and one of the best colleges in the South.

What students say: Cougars are known for being a "fun, outgoing, [and] involved community" where "everyone is really friendly." On campus, "camaraderie is evident, and morale is high." The "unique and thriving atmosphere that surrounds the college draws many different types of people." There is "a wide variety of backgrounds and personalities of students here," which many appreciate because it "allows students to gain perspective and insight as to how others think and feel."

"The colleges we profile in The Best 392 Colleges vary by type, size, locale, and campus culture. In our opinion, each one offers an academically outstanding undergraduate education," said Rob Franek, lead author of the book and Editor-in-Chief at The Princeton Review.

The **Wall Street Journal** named the College of Charleston as one of the 2026 Best Colleges in the U.S.

VIQTOR, the publisher of the annual Military Friendly® lists, named the College of Charleston a Gold-level Military Friendly® School for 2027. They also designated the College as a Military Friendly® Spouse School.

The **U.S. State Department's Bureau of Educational and Cultural Affairs** recognized the College of Charleston as a Top Producer of accepted applicants to the **Fulbright U.S. Scholar Programs** for the 2025-2026 academic year.

The Fulbright Program was established over 75 years ago to increase mutual understanding between the people of the United States and the people of other countries. Fulbright is the world's largest and most diverse international educational exchange program. The primary funding source for the Fulbright Program is

an annual appropriation made by the U.S. Congress to the U.S. Department of State's Bureau of Educational and Cultural Affairs.

Southern Living named Charleston the number one city in the South for 2026, noting "The Holy City brings home the hardware for the 10th year in a row, proving that what's old can always be new again. Our readers will never tire of this Lowcountry gem's sparkling harbor, charming historic architecture, and first-rate dining scene. With new hotels, restaurants, and attractions opening seemingly every month, there's always something new to explore." They also ranked Charleston as the number three Best College Town in the South.

In 2026, readers of ***Travel + Leisure*** magazine voted Charleston the number two U.S. city to visit, making it the fourteenth consecutive year the city has made the list. The Holy City was named the second-best U.S. city, with readers praising its "excellent restaurants," "Southern hospitality," and "beauty and history."

INFORMATION USEFUL FOR ASSESSING ECONOMIC CONDITION

Local Economy

The Charleston region comprises three counties (Berkeley, Charleston, and Dorchester) and 27 cities. The region covers more than 3,100 square miles. With an integrated rail and highway system and an international airport, Charleston provides seamless connections to the global marketplace. Charleston's central location, roughly halfway between New York and Miami, offers prime access to the U.S. Southeast. In addition to a thriving economy, the region is rich in history and a popular tourist destination.

As of July 2026, total employment in the State of South Carolina was 2,672,900 people, an increase of approximately 183,000 from July 2025. The unemployment rate as of July 2026 was 4.2 percent, down from 4.7 percent in July 2025. The South Carolina industries with the largest number of jobs were Trade, Transportation, and Utilities (447.6), Government (401.7), Education and Health Services (324.9), and Professional and Business Services (313.0).¹ The industries with the largest twelve-month percentage increases were Construction (4.8 percent), Other Services (3.8 percent), and Education and Health Services (3.5 percent).¹

As of July 2026, total employment for the Charleston Metropolitan Statistical Area (MSA) was 479,800 people, an increase of approximately 34,000 from July 2025. The unemployment rate as of July 2026 was 3.7 percent, down from 4.0 percent in July 2025. The Charleston industries with the largest number of jobs were Trade, Transportation, and Utilities (77.4), Government (72.5), and Professional and Business Services

¹ US Bureau of Labor Statistics for South Carolina, July 2026

² US Bureau of Labor Statistics for Charleston MSA, July 2026

³ Charleston Regional Development Alliance, 2026

(71.0).² The industries with the largest twelve-month percentage increases were Mining, Logging, and Construction (7.7 percent), Manufacturing (5.3 percent), and Professional and Business Services (5.0 percent).² The general trend of the local labor market usually follows South Carolina and the United States; however, the annual unemployment rate (unadjusted) for the Charleston MSA has been lower than both the State and the country for seventeen out of the last nineteen years.²

The Charleston metropolitan area supports a diverse and growing economy driven by companies engaged in advanced manufacturing, technology development, and life sciences research. Businesses benefit from globally connected infrastructure, a collaborative industry environment, an expanding labor force, and strong post-secondary educational partnerships. The region's primary industry sectors include aerospace, automotive, information technology, life sciences, and logistics, all of which contribute significantly to regional economic growth and innovation.

The Charleston International Airport continues to experience steady growth, with total passengers expected to reach 6.9 million by the end of 2026. The continued strength of Charleston's tourism and business sectors has, in many ways, helped sustain affordable and frequent flight options for local travelers. Total passenger traffic is forecast to grow 3.4 percent in 2026.³

Charleston has been one of the nation's most important seaports since its establishment in 1670. The port offers six marine terminals plus inland port facilities and expertly manages diverse cargo, including containerized, breakbulk, and rolling stock. The port ranks as the 8th largest U.S. container port. The port is anticipating an increase of approximately 1.8 percent in TEUs through 2026. Charleston is home to the deepest harbor on the U.S. East Coast, regularly managing 14,000 +/- TEU vessels drafting up to 52 feet. The port supports 1 in 9 jobs statewide. The port also manages more than 2.5 million TEUs annually.³

The Charleston region is home to more than 470,000 skilled workers, with its labor force expanding at three times the national average since 2010, demonstrating strong and sustained workforce growth. A robust education and workforce development network continues to produce highly skilled talent across engineering, information technology, advanced manufacturing, and other key fields. As a result, Greater Charleston remains a leading destination for investment, attracting both global corporations and high-growth startups that benefit from the region's talented workforce, world-class infrastructure, and competitive business climate. 160+ multinational firms employ approximately 20,000 regionally.³ Charleston's regional population has grown to more than 890,000.³

Long-term Financial Planning

The College's annual planning and budgeting cycle serves as a strategic mechanism to align resource allocation with the priorities outlined in the College's Strategic Plan, adopted in 2020. This cyclical process enables the College to practice investment-based budgeting, deliberately directing funds toward initiatives,

strategies, and objectives that advance the institution's mission and vision. By integrating long-term planning with annual budget development, the College ensures that its resources are deployed effectively to support academic excellence, student success, and operational sustainability. This disciplined approach is essential to maintaining the College's financial viability and strong academic reputation. The College's planning model emphasizes funding initiatives expected to deliver measurable value – whether through academic innovation, student engagement, or operational efficiency – and to contribute meaningfully to the student learning environment.

Relevant Financial Policies

Several key financial policies govern the College's budgetary and fiscal operations. These policies address critical areas of long-term financial health, including debt management, cash and investment oversight, and risk management.

Debt Management Policy

The College manages its debt obligations by balancing cost efficiency with financial stability. The primary objective is to achieve the lowest possible cost of capital while minimizing exposure to market volatility. To maintain access to favorable borrowing terms, the College seeks to sustain a credit rating that supports cost-effective capital financing. Overall debt levels are carefully monitored to ensure they remain within thresholds that are consistent with maintaining a strong bond rating and achieving strategic capital objectives.

Cash and Investment Policy

As a state agency, the College's cash management and investment activities are primarily governed by the State Treasurer of South Carolina. All institutional cash — except for one petty cash account and one designated loan fund — is held in a centralized cash management pool administered by the State Treasurer. By law, the College retains interest income earned from specific auxiliary operations, including residence halls, parking services, and food services. In addition, certain debt service funds held by the State Treasurer accrue interest income to the benefit of the College. However, all other interest earnings on institutional funds are retained by the State Treasurer and credited to the State General Fund. This framework ensures public stewardship while limiting the College's flexibility in investment decisions.

Risk Management Policy

The College participates in the State of South Carolina's comprehensive risk management programs, which include unemployment and workers' compensation benefits, as well as employee health, dental, and group life insurance. Through these programs, the State assumes substantial risk on behalf of the College and other public institutions. In addition to state coverage, the College mitigates operational risk by purchasing property and liability insurance from the South Carolina Insurance Reserve Fund. This coverage includes real and personal property, as well as institutional activities. Furthermore, to safeguard against potential financial misconduct, the College maintains employee fidelity bond insurance through a private commercial insurer.

Major Initiatives

The Board of Trustees approved a new Strategic Plan, effective May 7, 2020. The goal of this effort was to articulate a shared vision of the College's future and to make that vision a reality by identifying key strategic priorities and specific outcomes tied to actionable plans.

The College updates and reaffirms its five-year Comprehensive Permanent Improvement Plan annually. The plan outlines all major capital improvements planned to begin within the next five years, including project cost estimates and funding sources.

Projects completed over the past year include:

- Craig Residence Hall Renovation
- Berry Hall Innovation Center Renovation – Phases C, D, and F
- Buist Residence Hall Renovation
- 176 Lockwood Drive Envelope Renovation
- Central Energy Facility & Piping Infrastructure Upgrades – Phase A
- Access Control – Phase 2
- 207 Calhoun Street Exterior Renovation

The following major projects are currently in the design phase:

- New School of Business
- Coming Street Commons New Residence Hall
- Robert Scott Small (MUSC + CofC Nursing Education)
- Bennett School of Hospitality
- Craig Hall Admissions Renovation
- 26 Glebe Street Renovation
- King George Inn Renovation
- 207 Calhoun Street Interior Renovation

The following major projects are currently in the construction phase:

- Stern Center Renovation
- Central Energy Facility & Piping Infrastructure Upgrades – Phase B
- 58 George Street Renovation
- Grice Marine Lab Annex Renovation
- College Lodge Demolition
- Sottile Theater Mechanical System Replacement
- Sottile Theater Envelope Renovation

AWARDS AND ACKNOWLEDGEMENTS

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the College of Charleston for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025. The College has received the Certificate of Achievement for thirty-three consecutive years. To be awarded a Certificate of Achievement, an entity must publish an easily readable and efficiently organized report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year. We believe our current report continues to meet the Certificate of Achievement program requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

We thank the President and the Board of Trustees of the College for their continued commitment to the College's fiscal management. Likewise, we thank the members of the College community for their cooperation, which made the successful close of the fiscal year possible.



Paul D. Patrick

Executive Vice President for Business Affairs / COO / CFO



Dawn Willan, CPA

Vice President of Fiscal Services



Patrick M. Fillippa, CPA

Controller



Kenneth "Rick" Mims, CPA

Deputy Controller



Joshua D. Williams, CPA

Deputy Controller

COLLEGE OF CHARLESTON
BOARD OF TRUSTEES
2025 - 2026

Renee Buyck Romberger, Chair
Member At-Large

Shawn M. Holland
Third District

Steve D. Swanson, Vice Chair
Member At-Large

Matthew C. Klein
Fourth District

Ricci Land Welch, Secretary
Sixth District

Toya D. Pound
Governor's Designee

R. McLaurin Burch
Fifth District

Penelope S. Rosner
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Elizabeth Middleton Burke
First District

Brian J. Stern
Second District

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August G. Swarat, II
Governor's Appointee

Darryl J. Fyall
Sixth District

Craig C. Thornton
Third District

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First District

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Second District

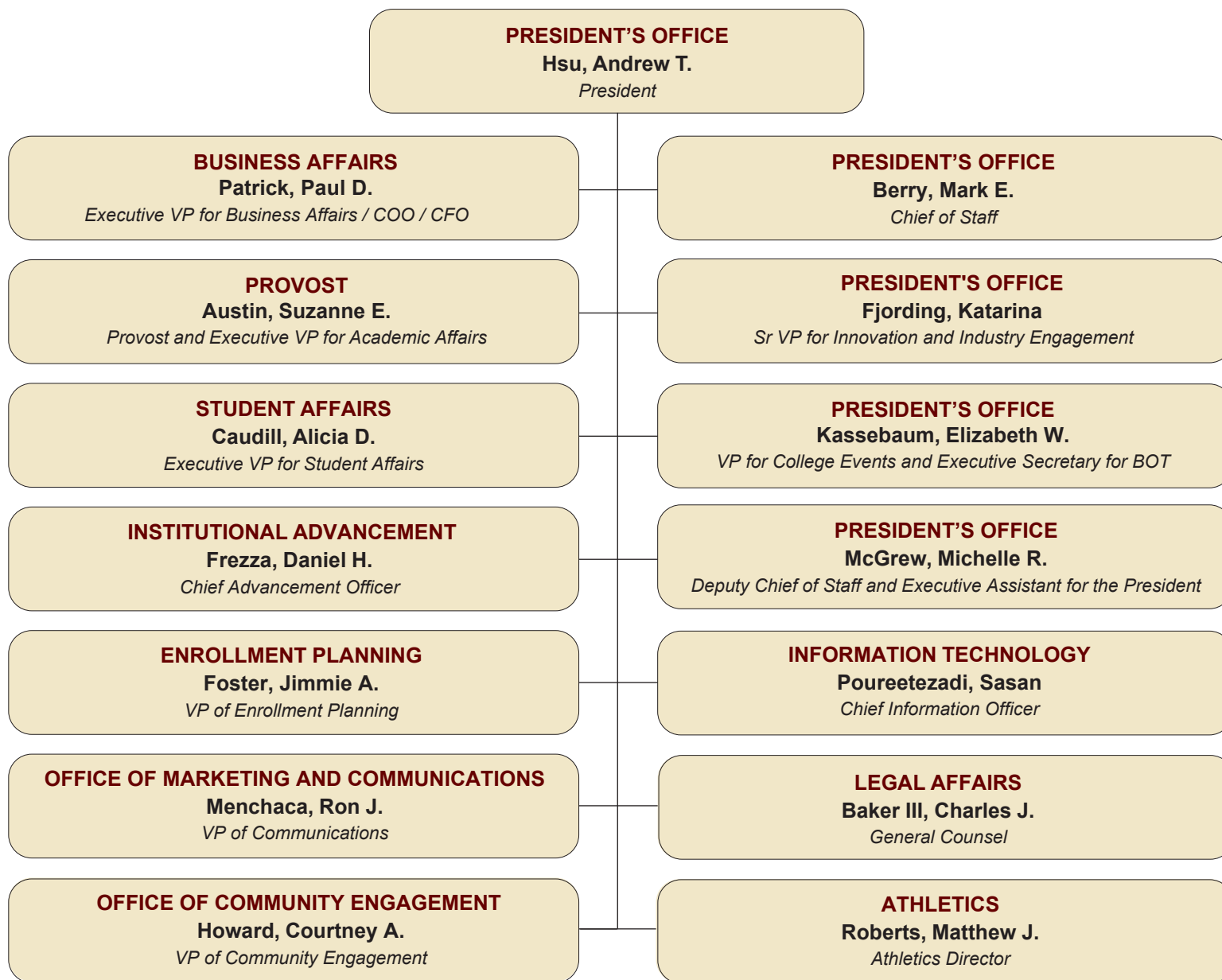
Henrietta U. Golding
Seventh District

Neysa N. Williams
Alumni Association

David M. Hay
Member At-Large



PRESIDENT'S OFFICE ORGANIZATIONAL AND MANAGEMENT STRUCTURE



COLLEGE OF CHARLESTON
BUSINESS AND FINANCE OFFICERS
2025 - 2026

Paul D. Patrick

Executive Vice President for Business Affairs / COO / CFO

Dawn Willan, CPA

Vice President of Fiscal Services

Patrick M. Fillippa, CPA

Controller

Kenneth “Rick” Mims, CPA

Deputy Controller

Joshua D. Williams, CPA

Deputy Controller

Kevin P. McCord, CIA

Internal Auditor

Cheryl M. O’Neil

Treasurer

Everett McInnis

Associate Vice President for Budgeting and Payroll Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**College of Charleston
South Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2025

Christopher P. Morrell

Executive Director/CEO

COLLEGE OF CHARLESTON

ANNUAL COMPREHENSIVE FINANCIAL REPORT



Students pose outside of Porter's Lodge with flowers on CofC Giving Day

FINANCIAL SECTION

Report of Independent Auditor

To the Members of the Board of Trustees
College of Charleston
Charleston, South Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the aggregate non-governmental discretely presented component units of the College of Charleston (the "College"), a component unit of the state of South Carolina, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate non-governmental discretely presented component units of the College, as of June 30, 2026, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the College of Charleston Foundation and Subsidiaries and the College of Charleston Athletic Fund, which are presented as non-governmental discretely presented component units. The College of Charleston Foundation and Subsidiaries and the College of Charleston Athletic Fund represent 100% of assets, 100% of net position, and 100% of revenues of the aggregate non-governmental discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as they relate to the amounts included for the College of Charleston Foundation and Subsidiaries and the College of Charleston Athletic Fund, are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the College, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the College of Charleston Foundation and Subsidiaries and the College of Charleston Athletic Fund were not audited in accordance with *Government Auditing Standards*.

Emphasis of Matter – Correction of Error

As discussed in Note 17 to the financial statements, during the current fiscal year, the State of South Carolina clarified that all appropriations are available upon appropriation by the General Assembly. In accordance with Governmental Accounting Standards Board Statement No. 100, *Accounting Changes and Error Corrections*, the College has restated its beginning net position as of July 1, 2025, and revised certain comparative information. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the Schedule of the College's Proportionate Share of the Net Pension Liability and the Schedule of the College's Pension Contributions, and the Schedule of the College's Proportionate Share of the Net OPEB Liability and the Schedule of the College's OPEB Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 1, 2026, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.



Greenville, South Carolina
October 1, 2026

COLLEGE OF CHARLESTON

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2026

The College of Charleston's (the College) Management's Discussion and Analysis (MD&A) provides management's perspective on the College's financial condition and significant financial activity for the year ended June 30, 2026. The discussion highlights significant changes in financial position and operating results, significant capital asset and long-term financing activity, and currently known facts, decisions, or conditions that may affect the College's future financial position or results of operations.

Management has prepared this discussion to be read in conjunction with the accompanying financial statements and notes to the financial statements. Responsibility for the financial statements, related disclosures, and this discussion rests with management.

OVERVIEW OF THE FINANCIAL STATEMENTS

During fiscal year 2026, the College continued to focus its financial and operational resources on its core academic mission and the delivery of student services. The College is a public institution of higher education whose primary mission is to provide educational programs and services to its students and to support the economic, cultural, and community needs of the region it serves. The College's financial activities are primarily supported by student tuition and related fees, state appropriations, grants and contracts, auxiliary activities, and other operating and nonoperating revenues. Total net position increased by approximately \$30.6 million during the year, from \$251.0 million at June 30, 2025, to \$281.7 million at June 30, 2026. The change reflects the combined effects of the College's operating activities, noncapital subsidies, nonoperating activities, capital investment, and changes in outstanding long-term obligations. The sections that follow provide management's analysis of the significant factors contributing to these changes.

The College reports its activities as a single business-type activity using the enterprise model. This presentation differs from that of many governmental entities, which commonly report governmental activities and governmental funds separately. Because the College operates as an enterprise, its financial statements present its activities on an entity-wide basis using the accrual basis of accounting. The College does not report governmental funds. This reporting model provides a financial perspective that emphasizes the College's overall financial position, operating results, cash flows, capital investment, and long-term obligations.

The amounts shown in the accompanying financial statements as cash and cash equivalents represent cash on hand, cash on deposit in banks, cash held by the State Treasurer's Office, and cash in transit. As a state agency, the College's cash management and investment activities are primarily governed by the State Treasurer of South Carolina. All institutional cash, except for petty cash and one designated loan fund, is held in a centralized cash management pool administered by the State Treasurer. By law, the College retains interest income earned from specific auxiliary operations, including residence halls, parking services, and food services. In addition, certain debt service funds held by the State Treasurer accrue interest income to the benefit of the College. However, all other interest earnings on institutional funds are retained by the State Treasurer and credited to the State General Fund. This framework ensures public stewardship while limiting the College's flexibility in investment decisions.

The College's financial statements also include two legally separate component units that are discretely presented in the College's financial report: the College of Charleston Foundation (the "Foundation") and the College of Charleston Athletic Fund (the "Athletic Fund"). The Foundation is a separately chartered corporation formed primarily to provide financial assistance and scholarships to the College. The Athletic Fund is a separately chartered corporation organized exclusively to provide financial assistance and scholarships to the College's Athletic Department. Both component units report under accounting standards established by the Financial Accounting Standards Board (FASB), rather than governmental accounting standards, and both have fiscal years that run concurrently with the College's fiscal year. Because the component units are presented discretely, their financial information is shown separately from the College's financial statements, on pages following the College's financial statements.

The financial statements provide information about the College from both a long-term and current-period perspective. The Statement of Net Position provides information about the College's assets, deferred outflows of resources (amounts that affect future periods), liabilities, deferred inflows of resources (amounts that affect future periods), and net position as of June 30, 2026. The Statement of Revenues, Expenses, and Changes in Net Position presents the College's operating results and the sources and uses of resources during the fiscal year. The Statement of Cash Flows provides information about the sources and uses of cash during the fiscal year and classifies cash flows into operating, noncapital financing, capital debt, and related financing, and investing activities.

The statements are also connected through the change in net position reported for the fiscal year. The College began fiscal year 2026 with a restated net position of \$251.0 million. The approximate \$30.6 million increase in net position reported in the Statement of Revenues, Expenses, and Changes in Net Position resulted in an ending net position of \$281.7 million at June 30, 2026, as reported in the Statement of Net Position.

In prior-period financial statements, the College recognized capital and nonrecurring appropriations as they were drawn down from the State of South Carolina. During the current fiscal year, the State of South Carolina clarified that all appropriations are available upon appropriation by the General Assembly. As a result, the College recorded a \$40,302,172 adjustment to the beginning-of-year net position.

Readers seeking to understand the College's overall financial condition should begin with the Statement of Net Position and the related notes to the financial statements. The Statement of Revenues, Expenses, and Changes in Net Position provides information about the College's operating results and the factors contributing to the change in net position, while the Statement of Cash Flows provides information about the sources and uses of cash. The notes provide additional information about significant accounting policies, capital assets, debt, pension and other postemployment benefit obligations, commitments, and other matters that help explain the amounts reported in the financial statements.

The financial summary and detailed analyses that follow discuss significant changes in the College's financial position and operating results between fiscal years 2026 and 2025. Subsequent sections address significant changes in capital assets and long-term financing activity, as well as currently known facts, decisions, or conditions that may have a significant effect on the College's future financial position or results of operations.



207 Calhoun Street exterior construction is complete

FINANCIAL SUMMARY

Net Position

The following table summarizes the College's net position for fiscal years 2026 and 2025. Significant changes are discussed below.

Condensed Statements of Net Position

	2026	2025	Increase (Decrease)	Percent Change
Assets				
Current assets	\$ 386,422,220	\$ 404,091,072	\$ (17,668,852)	-4.4%
Capital assets not being depreciated	140,598,406	101,068,144	39,530,262	39.1%
Capital assets, net of accumulated depreciation and amortization	435,465,013	449,368,982	(13,903,969)	-3.1%
Other noncurrent assets	6,685,998	6,343,375	342,623	5.4%
Total Assets	969,171,637	960,871,573	8,300,064	0.9%
Total Deferred Outflows	80,724,908	89,676,903	(8,951,995)	-10.0%
Liabilities				
Current liabilities	70,563,627	73,235,047	(2,671,420)	-3.6%
Noncurrent liabilities	612,878,058	645,114,813	(32,236,755)	-5.0%
Total Liabilities	683,441,685	718,349,860	(34,908,175)	-4.9%
Total Deferred Inflows	84,798,443	81,173,025	3,625,418	4.5%
Net Position				
Net investment in capital assets	257,328,784	229,853,337	27,475,447	12.0%
Restricted - nonexpendable	1,100,000	1,100,000	-	0.0%
Restricted - expendable	164,093,274	196,502,704	(32,409,430)	-16.5%
Unrestricted	(140,865,641)	(176,430,450)	35,564,809	20.2%
Total Net Position	\$ 281,656,417	\$ 251,025,591	\$ 30,630,826	12.2%

The College's financial position improved during fiscal year 2026. Total net position increased by approximately \$30.6 million, from \$251.0 million at June 30, 2025, to \$281.7 million at June 30, 2026. The change in net position reflects the combined effects of the College's operating activities, noncapital subsidies, nonoperating activities, capital investment, and changes in long-term obligations and related deferred amounts.

Results of Operations

The following table summarizes the College's results of operations for fiscal years 2026 and 2025. Significant changes are discussed below.

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	2026	2025	Increase (Decrease)	Percent Change
Operating Revenues				
Tuition and related fees, net*	\$ 210,343,764	\$ 211,544,645	\$ (1,200,881)	-0.6%
Federal grants and contracts	21,589,478	23,156,748	(1,567,270)	-6.8%
State grants and contracts	21,770,201	21,870,686	(100,485)	-0.5%
Auxiliary enterprises*	62,682,988	61,045,800	1,637,188	2.7%
Other operating revenues	4,022,269	4,039,544	(17,275)	-0.4%
Total Operating Revenues	320,408,700	321,657,423	(1,248,723)	-0.4%
Operating Expenses				
Personnel costs and benefits	181,886,418	183,405,685	(1,519,267)	-0.8%
Supplies, services and utilities	118,736,416	121,738,133	(3,001,717)	-2.5%
Scholarships and fellowships	19,488,743	19,242,735	246,008	1.3%
Depreciation and amortization	34,143,446	36,438,456	(2,295,010)	-6.3%
Total Operating Expenses	354,255,023	360,825,009	(6,569,986)	-1.8%
Operating Loss	(33,846,323)	(39,167,586)	5,321,263	-13.6%
Noncapital Subsidies				
State appropriations	60,999,523	56,601,809	4,397,714	7.8%
Other noncapital subsidies	7,562,763	6,621,969	940,794	14.2%
Total Noncapital Subsidies	68,562,286	63,223,778	5,338,508	8.4%
Operating Loss and Noncapital Subsidies	34,715,963	24,056,192	10,659,771	44.3%
Total Net Nonoperating Revenues (Expenses)	(4,085,137)	5,657,875	(9,743,012)	-172.2%
Excess/ Deficiency Before Transfers and Unusual or Infrequent Items	30,630,826	29,714,067	916,759	3.1%
Transfers	-	-	-	0.0%
Unusual or Infrequent Items	-	-	-	0.0%
Change in Net Position	30,630,826	29,714,067	916,759	3.1%
Net Position, Beginning of Year	251,025,591	176,311,524	74,714,067	42.4%
Prior Period Adjustment	-	45,000,000	(45,000,000)	-100.0%
Net Position, Beginning of Year, as Restated	-	221,311,524	(221,311,524)	-100.0%
Net Position, End of Year	\$ 281,656,417	\$ 251,025,591	\$ 75,630,826	30.1%

* Net of scholarship discounts and allowances

Prior year amounts have been presented to conform to the current year financial statement presentation.

The College's operating loss decreased during fiscal year 2026. Operating revenues totaled \$320.4 million, a decrease of approximately \$1.2 million, or 0.4 percent, from \$321.7 million in fiscal year 2025. Operating expenses totaled \$354.3 million, a decrease of approximately \$6.6 million, or 1.8 percent, from \$360.8 million in the prior year. As a result, the College's operating loss decreased by approximately \$5.3 million, from \$39.2 million in 2025 to \$33.8 million in 2026. Noncapital subsidies increased by \$5.3 million, while net nonoperating revenues (expenses) decreased by \$9.7 million. Overall, the College's change in net position increased from \$29.7 million in 2025 to \$30.6 million in 2026.

DETAILED ANALYSES

Financial Position

At June 30, 2026, the College reported total assets of \$969.2 million, an increase of \$8.3 million from \$960.9 million at June 30, 2025. The increase in total assets was primarily attributable to increases in capital assets not being depreciated and accounts receivable, partially offset by decreases in cash and cash equivalents, grants and contracts receivable, and capital assets, net of accumulated depreciation. Capital assets not being depreciated increased by \$39.5 million, from \$101.1 million to \$140.6 million, while accounts receivable increased by \$4.3 million, from \$43.1 million to \$47.4 million. The increase in capital assets not being depreciated is reflected in the change to construction in progress as discussed in the Significant Capital Asset and Long-Term Financing Activity section below. The increase in accounts receivable was due to an additional \$4.0 million owed by the State of South Carolina for non-recurring state appropriations for capital asset maintenance, renovation, and replacement. Grants receivable decreased by \$9.0 million, primarily due to cash receipts received before the fiscal year end from the state of South Carolina for the South Carolina Life Scholarship Program, Hope Scholarship Program, and Need-Based Grant Program. Depreciable capital assets, net of accumulated depreciation, decreased due to current-year depreciation expense and fewer building and building improvement capitalizations compared to fiscal year 2025.

Total liabilities decreased by \$34.9 million, from \$718.3 million at June 30, 2025, to \$683.4 million at June 30, 2026. The decrease was primarily attributable to reductions in the College's net pension liability, net OPEB liability, bonds and notes payable, accounts payable and accrued expenses, and unearned revenues. The net pension liability decreased by \$14.3 million, primarily due to a \$5.0 million decrease in the College's pension expense compared with the prior year, a \$1.0 million increase in contributions deferred for future periods, and favorable investment experience that reduced the liability by approximately \$8.0 million. The net OPEB liability decreased by \$10.8 million, primarily due to favorable investment experience that reduced the liability by approximately \$9.0 million and recognition in fiscal year 2026 of a \$1.0 million implicit subsidy based on the June 30, 2025, measurement date, which also reduced the liability. Bonds and notes payable decreased by \$12.9 million due to \$12.0 million in principal payments and \$0.9 million in amortization expenses on bond premiums. Accounts payable and accrued expenses decreased by \$4.6 million, primarily due to normal fluctuations in the timing and amount of outstanding obligations at year-end. Unearned revenue decreased by \$1.2 million, primarily reflecting the timing of grant funding received in advance of eligible expenditures. Grant funds received in advance are recorded as unearned revenue until the related eligible expenditures are incurred and the revenue can be recognized. These decreases were partially offset by a \$9.0 million increase in lease liabilities, as discussed in the significant capital asset and long-term financing activity section. Other liabilities decreased by approximately \$0.1 million.

Deferred outflows of resources decreased by \$9.0 million, from \$89.7 million at June 30, 2025, to \$80.7 million at June 30, 2026, primarily due to a decrease in OPEB-related deferred outflows. OPEB deferred outflows decreased by approximately \$8.7 million, primarily due to an \$11.2 million decrease related to changes in assumptions, a \$0.8 million decrease related to differences between expected and actual earnings, and a \$0.6 million decrease related to changes in the College's proportionate share of contributions, partially offset by a \$3.8 million increase related to differences between expected and actual experience. Pension-related deferred outflows decreased by approximately \$0.2 million. Deferred inflows of resources increased by \$3.6 million, from \$81.2 million to \$84.8 million, primarily reflecting increases in pension-related deferred inflows of approximately \$3.1 million and OPEB-related deferred inflows of approximately \$0.6 million. The change in pension deferred inflows was primarily attributable to a \$3.6 million increase in differences between expected and actual earnings, which was offset by a \$0.2 million decrease in differences between expected and actual experience and a \$0.3 million decrease related to changes in the College's proportionate share of contributions.

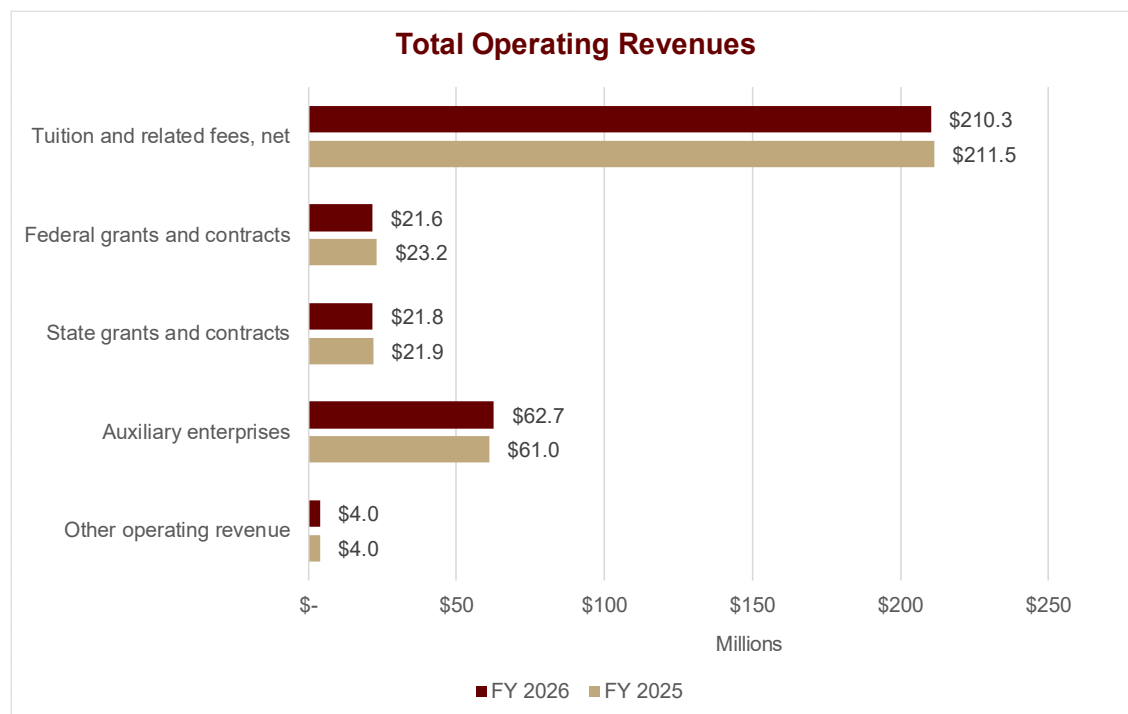
The composition of the College's net position also changed significantly during fiscal year 2026. Net investment in capital assets increased by approximately \$27.5 million, from \$229.9 million at June 30, 2025, to \$257.3 million at June 30, 2026. The increase primarily reflects approximately \$17.6 million in capital asset additions, net of accumulated depreciation, a \$9.0 million increase in right-to-use lease assets under GASB 87, and a \$1.0 million decrease in subscription-based information technology arrangement (SBITA) assets under GASB 96, partially offset by a \$4.4 million decrease in related long-term liabilities and a \$2.5 million increase in related short-term liabilities and retainage. Capital asset additions during the year included \$26.8 million for the Stern Center renovation project, funded in part by resources previously reported as restricted for capital projects. Restricted net position decreased by \$32.4 million, from \$197.6 million to \$165.2 million, primarily reflecting a \$30.5 million decrease in amounts restricted for capital projects and a \$1.9 million decrease in amounts restricted for debt service. The decrease in amounts restricted for capital projects primarily reflects the use of restricted resources for capital expenditures during the year. Unrestricted net position improved by approximately \$35.5 million, from a deficit of \$176.4 million at June 30, 2025, to a deficit of \$140.9 million at June 30, 2026, reflecting the net effect of changes in the College's operating results, capital activity, and other changes in net position discussed in the sections that follow.

Because a significant portion of the College's net position is invested in capital assets or restricted for specific purposes, total net position does not represent resources available for general operating purposes. The unrestricted net position deficit also reflects the recognition of long-term pension and other postemployment benefit (OPEB) obligations and related deferred amounts required under generally accepted accounting principles. These accounting requirements can result in an unrestricted net position deficit even when the College has cash and other resources available to meet its current operating obligations. The unrestricted deficit, therefore, should not be interpreted as a \$140.9 million cash shortfall.

Results of Operations

Operating Revenues

Operating revenues represent the primary revenues generated from the College's educational and auxiliary activities. The following chart summarizes the composition of the College's operating revenues for fiscal year 2026.



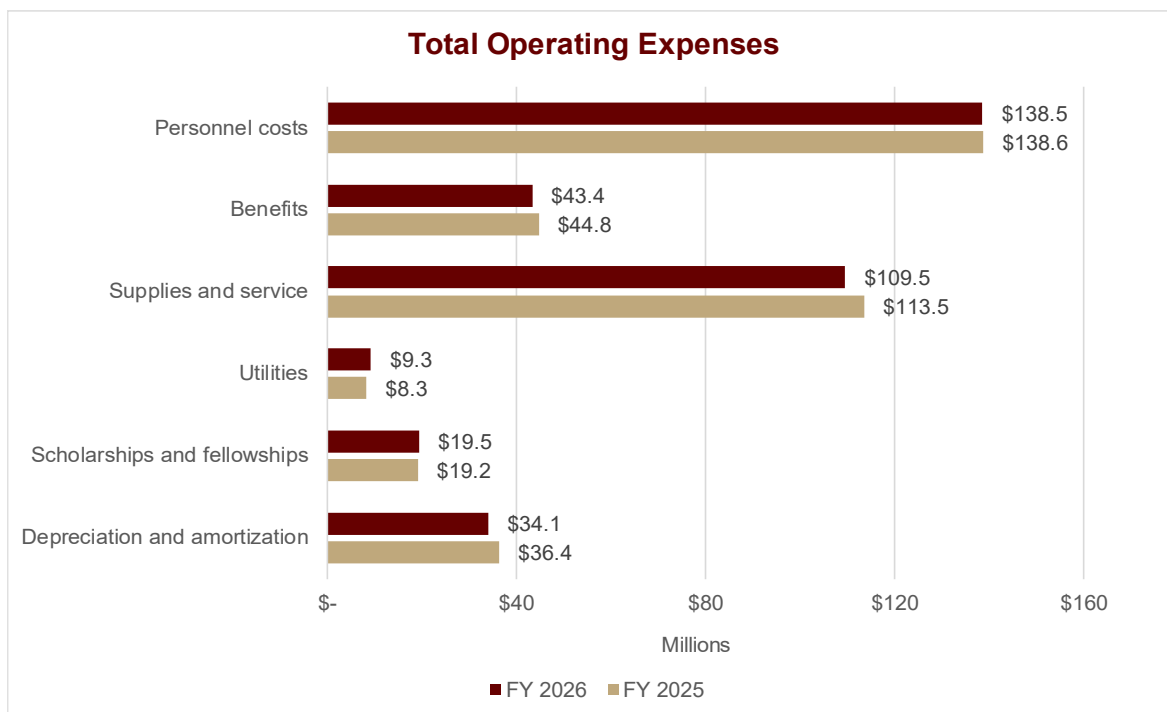
Operating revenues totaled \$320.4 million in fiscal year 2026, compared with \$321.7 million in fiscal year 2025, a decrease of approximately \$1.2 million, or 0.4 percent.

Tuition and related fees decreased by approximately \$1.2 million, reflecting a slight decline in overall student enrollment, but remained the College's largest source of operating revenue, accounting for approximately 65.7 percent of total operating revenues. Federal grants and contracts decreased by approximately \$1.6 million, from \$23.2 million in fiscal year 2025 to \$21.6 million in fiscal year 2026, attributable in part to lower enrollment and the corresponding reduction in federal student aid. State grants and contracts remained relatively consistent, totaling \$21.8 million in fiscal year 2026 compared with \$21.9 million in fiscal year 2025. These decreases were partially offset by increases in auxiliary enterprise revenues.

Auxiliary enterprise revenues increased by approximately \$1.6 million during fiscal year 2026. Housing revenues increased by approximately \$1.0 million, reflecting higher housing rates. Food service revenues increased by approximately \$0.4 million, reflecting higher food service rates. Parking revenues increased by approximately \$0.3 million. Rental, vending, bookstore, and debit card revenues increased by approximately \$0.2 million. These increases were partially offset by decreases in athletics and health services revenues.

Operating Expenses

Operating expenses are the costs incurred by the College to provide educational programs, student services, and other activities. The following chart summarizes the composition of the College's operating expenses for fiscal year 2026.



Operating expenses totaled \$354.3 million in fiscal year 2026, a decrease of approximately \$6.6 million, or 1.8 percent, from \$360.8 million in fiscal year 2025.

Personnel costs decreased slightly, from \$138.6 million in fiscal year 2025 to \$138.5 million in fiscal year 2026. However, the year-over-year change was affected by \$5.4 million in expenses related to the implementation of GASB 101, recorded in fiscal year 2025, compared with \$0.3 million in fiscal year 2026. Excluding these GASB 101-related expenses, personnel costs increased by approximately \$5.0 million between years. The increase in underlying personnel costs was primarily attributable to a 2 percent cost-of-living adjustment provided to all permanent employees, funding for strategic merit increases, and a 2 percent increase in adjunct faculty teaching salaries beginning with the fall 2025 semester.

Benefits expense decreased by approximately \$1.4 million between fiscal years 2025 and 2026. This decrease was significantly affected by changes in expenses related to GASB 68 and GASB 75, which reduced benefits expense by \$9.2 million in fiscal year 2025 and \$12.5 million in fiscal year 2026. Excluding the effects of these GASB-related amounts, benefits expense increased by approximately \$1.9 million between years.

Supplies and services decreased by approximately \$4.0 million, reflecting fluctuations in spending across various operating activities and the amounts of expenditure capitalized during the year. Depreciation and amortization expenses decreased by approximately \$2.3 million. These decreases were partially offset by increases in utilities of approximately \$1.0 million and scholarships and fellowships of approximately \$0.2 million.

Operating Loss and Noncapital Subsidies

The College's operating loss was \$33.8 million in fiscal year 2026, an improvement of approximately \$5.3 million from the \$39.2 million operating loss reported in fiscal year 2025. The improvement primarily reflects the \$6.6 million decrease in operating expenses, which more than offset the \$1.2 million decrease in operating revenues.

Noncapital subsidies increased by approximately \$5.3 million, from \$63.2 million in fiscal year 2025 to \$68.6 million in fiscal year 2026. State appropriations increased by \$4.4 million. The total increase was almost entirely attributable to recurring state funds, which help public education institutions keep tuition rates flat for in-state residents and offset rising costs due to general inflation. Nongovernmental grants and contracts increased by approximately \$0.6 million, and state and local grants and contracts increased by approximately \$0.2 million combined. Gifts revenue increased by approximately \$0.1 million. As a result, the amount of noncapital resources remaining after covering the operating loss increased approximately by \$10.7 million, from \$24.1 million in 2025 to \$34.7 million in 2026.

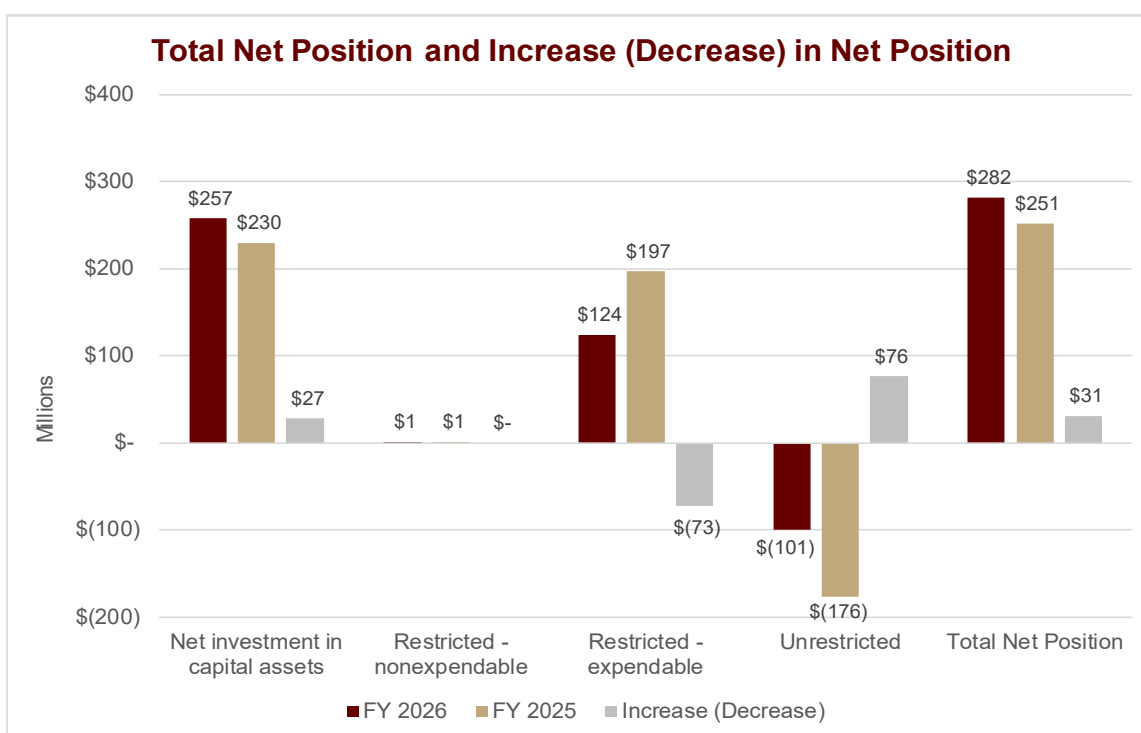
Other Nonoperating Revenues and Expenses

Net nonoperating revenues (expenses) decreased by approximately \$9.7 million, from \$5.6 million in fiscal year 2025 to (\$4.1 million) in fiscal year 2026. The decrease was primarily attributable to a \$6.0 million decrease in capital appropriations, which totaled \$4.7 million in 2026 compared with \$10.7 million in 2025. Capital appropriations are determined by the State and may vary from year to year based on State funding decisions. Auxiliary enterprises' interest and investment income decreased by approximately \$0.6 million, while institutional interest and investment income decreased by approximately \$1.2 million. The decreases comprise an increase in interest income on cash held by the state of approximately \$0.8 million, offset by unrealized losses on investments held by the state of approximately \$2.6 million. Capital gift revenue increased by \$1.0 million due to donations for a new scoreboard at the tennis center, LED lighting at the baseball field, and improvements at the Silcox Center. Interest and

amortization expense on capital assets and related debt increased by approximately \$0.8 million, and the loss on sale or disposal of capital assets increased by approximately \$2.2 million. The \$2.2 million increase in loss on disposal of capital assets was related to building improvement disposals for the College Lodge residence hall. The College also had no loss on subscription termination in 2026 compared with an \$11,514 loss in 2025.

Change in Net Position

The College's change in net position was \$30.6 million in fiscal year 2026, compared with \$29.7 million in fiscal year 2025, an increase of \$0.9 million. The increase reflects a \$5.3 million improvement in operating losses and a \$5.3 million increase in noncapital subsidies, partially offset by a \$9.7 million decrease in net nonoperating revenues.



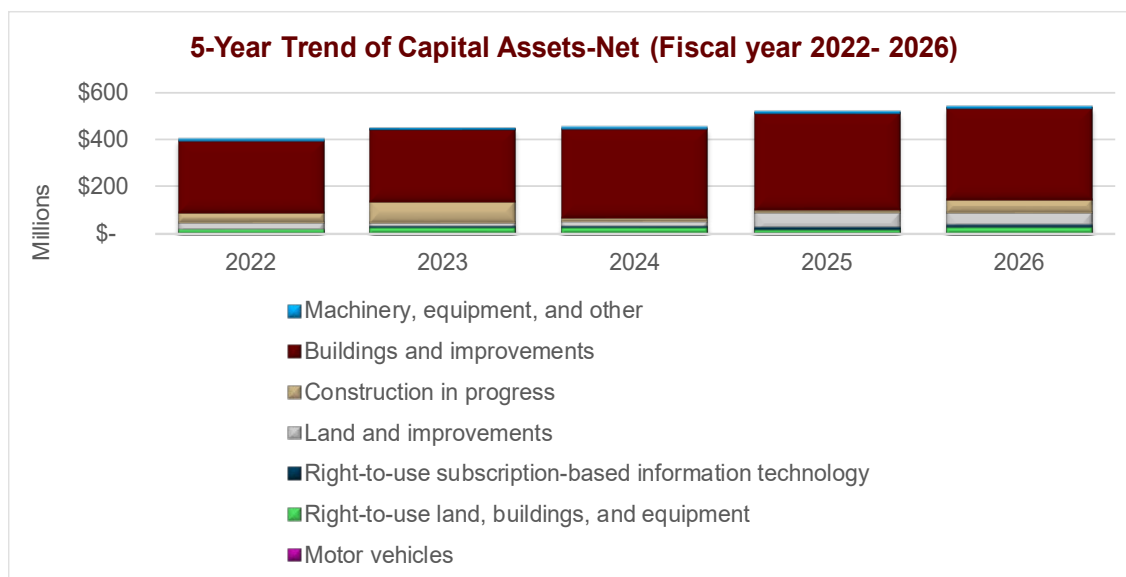
SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY

The College's investment in capital assets is an important component of its financial position and supports the delivery of educational programs and services. At June 30, 2026, the College had approximately \$576.1 million in capital assets, compared with approximately \$550.4 million at June 30, 2025, an increase of \$25.6 million, or 4.7 percent. Capital assets not being depreciated increased by \$39.5 million, from \$101.1 million at June 30, 2025, to \$140.6 million at June 30, 2026, while capital

assets, net of accumulated depreciation, decreased by \$13.9 million, from \$449.4 million to \$435.5 million. The schedule below summarizes the land, buildings, building improvements, equipment, infrastructure, and other capital assets used in the College's operations.

Capital Assets

	2026	2025	Increase (Decrease)	Percent Change
Land	\$ 85,070,985	\$ 85,070,985	\$ -	0.0%
Construction in progress	55,527,421	15,997,159	39,530,262	247.1%
Land improvements	6,452,517	6,452,517	-	0.0%
Buildings	405,700,448	406,542,162	(841,714)	-0.2%
Building improvements	307,147,838	308,717,314	(1,569,476)	-0.5%
Machinery, equipment, and other	31,540,596	33,205,571	(1,664,975)	-5.0%
Information technology equipment and software	7,432,504	7,432,504	-	0.0%
Motor vehicles	1,573,103	1,063,113	509,990	48.0%
Lease assets:				
Land	5,689,095	5,508,775	180,320	3.3%
Buildings	49,540,650	35,735,661	13,804,989	38.6%
Machinery and equipment	264,377	341,492	(77,115)	-22.6%
Right-to-use subscription-based information technology	19,307,491	18,318,187	989,304	5.4%
Accumulated depreciation and amortization	(399,183,606)	(373,948,314)	(25,235,292)	6.7%
Total Capital Assets - Net	\$576,063,419	\$550,437,126	\$25,626,293	4.7%



During fiscal year 2026, significant capital asset activity included \$29.7 million in spending on the Stern Student Center renovation. This project is a wholesale renovation that will address building envelope failures, bring electrical systems up to code, replace mechanical systems, reclaim needed space from the vacant aquatic center, improve the usability of the third-floor ballroom, and improve food service, meeting, and informal student spaces. This project is reflected in the increase in capital assets not being depreciated and is expected to be completed in the fall of 2026.

The College also spent \$2.8 million on renovations to Grice Marine Laboratory, the College's main marine science teaching and research facility. The scope of this project includes ADA restrooms, structural stabilization, and fire and safety improvements. Mechanical, electrical, and plumbing systems will also be upgraded, along with interior finishes in the laboratories, offices, and housing. This project is also reflected in the increase in capital assets that are not being depreciated.

The College disposed of building improvements at College Lodge residence hall, recording a net loss on sale or disposal of capital assets of \$2.2 million. Right-to-use buildings increased by \$13.8 million from the prior year, primarily due to the renewal of a \$12.6 million lease for a building at 360 Concord Street, which the College will use for offices, classrooms, and laboratories.

Future improvement projects are prioritized through a five-year Comprehensive Permanent Improvement Plan (CPIP). The College has several significant capital projects planned as part of its CPIP. Project 205, with an estimated cost of \$135.0 million, involves the development of a new student residence hall with approximately 608 beds. Other significant planned projects include a \$100.0 million new academic building, redevelopment of 81 Wentworth Street, and redevelopment of 159 Calhoun Street. These projects are anticipated to be financed through a combination of institutional resources, revenue bonds, and other funding sources.

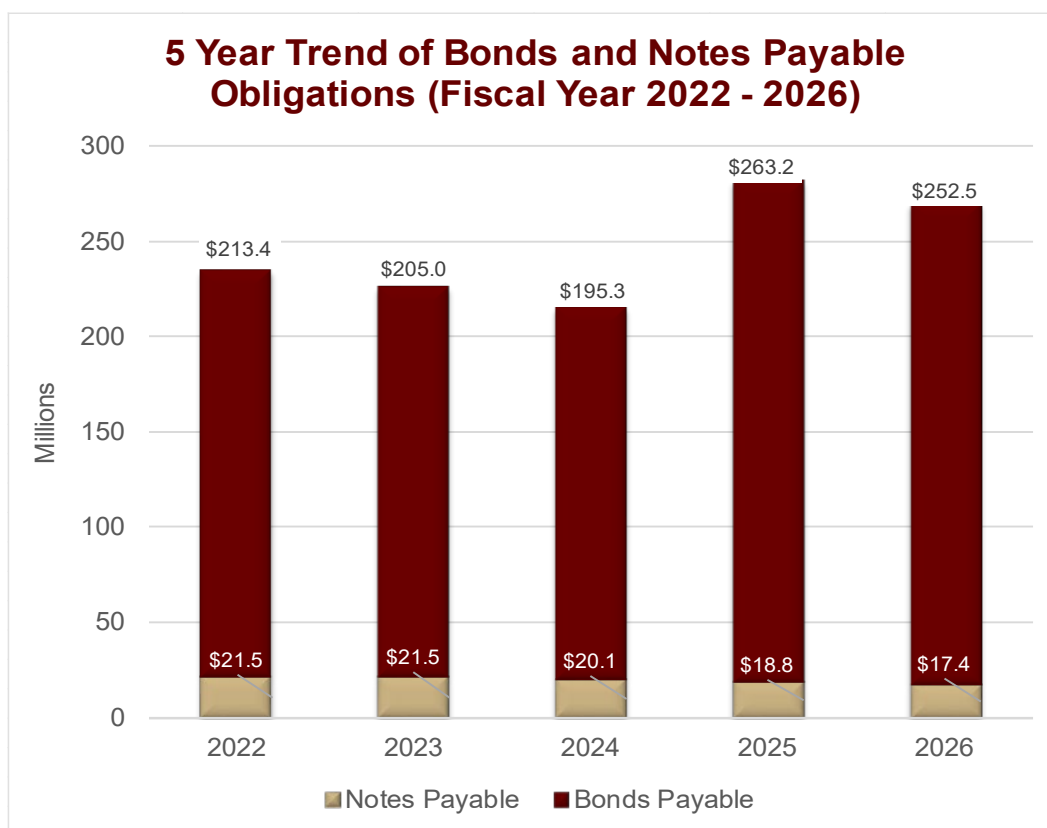
Additional information concerning the College's capital assets is presented in the notes to the financial statements.

Long-Term Financing Activity

The College uses long-term financing arrangements to support capital projects and other activities requiring financing over multiple years. At June 30, 2026, the College had outstanding bonds and notes payable, lease obligations, and subscription liabilities, in addition to long-term obligations related to compensated absences, pensions, and other postemployment benefits.

Bonds and notes payable totaled approximately \$280.3 million at June 30, 2026, compared with \$293.1 million at June 30, 2025. During fiscal year 2026, the College paid \$10.6 million in principal on bonds, \$1.4 million in principal on notes payable, and amortized \$0.9 million for bond premiums and deferred losses. There were no new debt issuances during the year.

The following table summarizes bonds and notes payable for the current and the prior four years.



Lease obligations totaled approximately \$27.9 million at June 30, 2026, compared with \$18.9 million at June 30, 2025. The increase was primarily due to the renewal of a \$12.6 million lease for a building at 360 Concord Street, as discussed in the capital assets section above. There were renewals totaling \$2.9 million for other properties and \$6.5 million in payments for existing leases. Subscription liabilities totaled approximately \$7.0 million as of June 30, 2026, compared with \$7.5 million as of June 30, 2025. There were \$2.6 million in new subscription liabilities for seventeen different products, \$0.9 million in renewals, and \$4.0 million in payments on existing subscriptions.

The College's long-term financing activity also includes obligations related to compensated absences, the net pension liability, and the net OPEB liability. Changes in these obligations are discussed in the notes to the financial statements.

Additional information concerning the College's long-term liabilities, including outstanding debt, lease obligations, subscription liabilities, and other long-term obligations, is presented in the notes to the financial statements.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

The College continually monitors financial, economic, enrollment, governmental, and other conditions that may affect its future financial position and results of operations. Management has considered the currently known facts, decisions, and conditions through the date of this report that could have a significant effect on the College's financial position or results of operations.

The State of South Carolina closed the 2025-26 fiscal year with revenues exceeding estimates, resulting in approximately \$2.4 billion available for distribution and a \$925.6 million excess Budgetary General Fund balance available to be transferred to the Contingency Reserve Fund, after funding the \$1.530 billion supplemental appropriations included in the fiscal year 2026-27 Appropriations Act. In accordance with state law, the excess Budgetary General Fund balance is available to be transferred to the Contingency Reserve Fund as of July 1, 2026. The fiscal year 2026-27 appropriations to the College total \$64.0 million.¹

Enrollment at the College continues to grow. For fall 2026, the College began the academic year with its largest freshman class ever. Official final census numbers for total fall 2026 enrollment are not available at the time of this report. On June 9, 2026, the College of Charleston Board of Trustees approved a 2.5 percent increase in out-of-state tuition for the 2026-2027 academic year; in-state tuition was not increased.

The Charleston region continues to experience population and workforce growth, with a regional population of approximately 890,000.² The College's operating environment continues to be supported by the region's economic and employment conditions. As of July 2026, employment in the Charleston Metropolitan Statistical Area was approximately 479,800, an increase of approximately 34,000 jobs from July 2025, while the unemployment rate was 3.7 percent, compared with 4.0 percent in July 2025. The region continues to experience growth across several industries, including construction, manufacturing, and professional and business services.³ These economic and demographic conditions contribute to the College's local operating environment and may affect future enrollment, workforce demand, and other factors influencing the College's financial position and results of operations.

The College also continues to advance significant capital projects included in its Comprehensive Permanent Improvement Plan, as discussed in the Significant Capital Asset and Long-Term Financing Activity section of this report.

¹ South Carolina Office of the Comptroller General, Year-End Press Release, August 18, 2026.

² Charleston Regional Development Alliance, 2026

³ US Bureau of Labor Statistics for Charleston MSA, July 2026

The College's credit ratings remain unchanged from the prior year. Moody's Ratings maintains an Aa3 issuer rating for the College and an A1 rating on all outstanding debt, including the Series 2025A bonds issued during fiscal year 2025. Management continues to monitor the College's credit ratings and related conditions as part of its ongoing financial and capital planning.

Management will continue to monitor these and other conditions and their potential effects on the College's financial position and results of operations.

More Information

This financial report provides a general overview of the College's finances. Any questions or requests for information may be addressed to: Dawn Willan, Vice President of Fiscal Services, College of Charleston.



The new Center for Intentionality grand opening

COLLEGE OF CHARLESTON
STATEMENT OF NET POSITION
JUNE 30, 2026

ASSETS

Current Assets

Cash and cash equivalents	\$ 103,180,459
Cash and cash equivalents, restricted	221,268,554
Accounts receivable, net	47,413,592
Grants and contracts receivable	4,236,892
Component unit receivable	2,963,592
Interest income receivable	1,665,679
Prepaid items	5,451,154
Inventories	236,066
Other assets	6,232
Total Current Assets	<u>386,422,220</u>

Noncurrent Assets

Cash and cash equivalents, restricted	1,315,707
Component unit receivable, restricted	1,887,018
Prepaid items	933,287
Leases receivable	2,549,986
Capital assets not being depreciated	140,598,406
Capital assets, net of accumulated depreciation	435,465,013
Total Noncurrent Assets	<u>582,749,417</u>

TOTAL ASSETS **\$ 969,171,637**

DEFERRED OUTFLOW OF RESOURCES

Deferred outflows - pension	\$ 33,382,217
Deferred outflows - OPEB	47,148,074
Deferred loss on debt refundings	194,617
TOTAL DEFERRED OUTFLOW OF RESOURCES	<u>\$ 80,724,908</u>

LIABILITIES

Current Liabilities

Accounts payable and accrued expenses	\$ 12,634,338
Accrued payroll and related liabilities	12,149,030
Retainage payable	1,475,207
Unearned revenues	7,766,136
Deposits held for others	1,301,138
Student deposits	2,517,051
Compensated absences payable	6,713,743
Accrued interest payable	2,892,790
Bonds and notes payable	13,363,341
Lease obligations payable	6,551,931
Subscriptions payable	3,198,922
Total Current Liabilities	<u>70,563,627</u>

Noncurrent Liabilities

Compensated absences payable	5,181,184
Bonds and notes payable	266,899,465
Lease obligations payable	21,370,685
Subscriptions payable	3,772,126
Net pension liability	159,991,229
Net OPEB liability	155,663,369
Total Noncurrent Liabilities	<u>612,878,058</u>

TOTAL LIABILITIES **\$ 683,441,685**

DEFERRED INFLOWS OF RESOURCES

Deferred inflows - pension	\$ 11,062,118
Deferred inflows - OPEB	71,338,830
Deferred inflows - leases	2,397,495
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>\$ 84,798,443</u>

NET POSITION

Net investment in capital assets

Restricted for:	\$ 257,328,784
Nonexpendable	
Endowed professorship	100,000
Endowment other	1,000,000
Expendable	
Scholarships and fellowships	246,081
Research	109,432
Loans	62,866
Capital projects	156,027,396
Debt service	7,647,499
Unrestricted	(140,865,641)

TOTAL NET POSITION **\$ 281,656,417**

See Accompanying Notes to Financial Statements

COLLEGE OF CHARLESTON
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2026

Operating Revenues

Tuition and related fees (\$13,546,276 pledged for debt service; net of scholarship discounts and allowances of \$53,067,837)	\$ 210,343,764
Federal grants and contracts	21,589,478
State grants and contracts	21,770,201
Local grants and contracts	95,230
Nongovernmental grants and contracts	405,471
Educational activities revenues	424,841
Student organizations generated revenues	1,851,223
Sales and services of auxiliary enterprises	
Revenues not pledged for debt service	
Athletics (net of scholarship discounts and allowances of \$2,962,394)	14,882,690
Health services (net of scholarship discounts and allowances of \$423,199)	1,505,233
Rental, vending, bookstore, and debit card	1,120,411
Revenues pledged for debt service	
Housing (net of scholarship discounts and allowances of \$7,476,519)	29,507,537
Food service (net of scholarship discounts and allowances of \$3,244,527)	13,228,510
Parking	2,438,607
Other sources	1,245,504

Total Operating Revenues **320,408,700**

Operating Expenses

Personnel costs	138,500,920
Benefits	43,385,498
Supplies and services	109,473,094
Utilities	9,263,322
Scholarships and fellowships	19,488,743
Depreciation and amortization	34,143,446

Total Operating Expenses **354,255,023**

Operating Loss **(33,846,323)**

Noncapital Subsidies

State appropriations	60,999,523
State grants and contracts	476,732
Local grants and contracts	55,989
Gifts	6,016,766
Nongovernmental grants and contracts	1,013,276

Total Noncapital Subsidies **68,562,286**

Operating Loss and Noncapital Subsidies **34,715,963**

Other Nonoperating Revenues (Expenses)

Capital appropriations	4,704,188
Auxiliary enterprises interest and investment income	1,973,962
Capital gifts	1,072,342
Interest and investment income	1,424,195
Interest and amortization expense on capital assets and related debt	(10,874,621)
Lease revenue	29,953
Loss on sale or disposal of capital assets	(2,415,156)

Total Net Nonoperating Revenues (Expenses) **(4,085,137)**

Change In Net Position **30,630,826**

Net Position, Beginning of Year 210,723,419

Prior Period Adjustment 40,302,172

Net Position, Beginning of Year, as Restated 251,025,591

Net Position, End of Year **\$ 281,656,417**

See Accompanying Notes to Financial Statements

COLLEGE OF CHARLESTON
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

Cash Flows From Operating Activities

Tuition and fees	\$ 210,377,894
Grants and contracts	51,500,641
Sales and services of education and other activities	2,276,064
Sales and services of auxiliary enterprises	62,393,914
Other operating revenue	1,141,173
Payments to employees for salaries and benefits	(194,228,967)
Payments to suppliers	(110,451,068)
Payments for utilities	(9,263,322)
Payments to students for scholarships and fellowships	(19,488,743)
Deposits held for others	(216,334)
Student direct lending receipts	51,083,979
Student direct lending disbursements	(51,083,979)

Net Cash Used for Operating Activities **(5,958,748)**

Cash Flows From Noncapital Financing Activities

State appropriations	60,999,523
Gifts and grants for other than capital purposes	7,562,763

Net Cash Provided by Noncapital Financing Activities **68,562,286**

Cash Flows From Capital Debt And Related Financing Activities

Proceeds from state capital appropriations	869,426
Capital grants and gifts	700,000
Purchases of capital assets	(45,703,929)
Proceeds from sales of capital assets	23,886
Principal paid on capital debt	(10,600,000)
Principal paid on notes payable	(1,388,842)
Interest and investment gains on capital and related financing activity	1,439,543
Lease obligations	(7,539,883)
Subscription obligations	(4,601,701)
Interest paid on capital related debt	(10,254,455)

Net Cash Used for Capital Debt And Related Financing Activities **(77,055,955)**

Cash Flows From Investing Activities

Interest and investments	1,342,960
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Net Cash Provided by Investing Activities **1,342,960**

Net change in cash and cash equivalents	(13,109,457)
Cash and Cash Equivalents - Beginning of the Year	338,874,177

Cash and Cash Equivalents - End of the Year **\$ 325,764,720**

Reconciliation of operating loss to net cash used for operating activities

Operating loss	\$ (33,846,323)
Adjustments to reconcile operating loss to net cash used for operating activities	
Depreciation and amortization	34,143,446
Pension and OPEB expense	(12,513,282)

Changes in assets and liabilities:

Deposits held for others	(216,334)
Accounts, grants and contracts, and component unit receivables, net	8,325,320
Inventories	12,651
Prepaid items	698,014
Accounts payable and accrued expenses and accrued payroll and related liabilities	(1,782,077)
Compensated absences payable and related liabilities	264,171
Unearned revenues	(1,175,425)
Student deposits	131,091

Net Cash Used for Operating Activities **\$ (5,958,748)**

Reconciliation of Cash and Cash Equivalent Balances:

Current assets	
Cash and cash equivalents	\$ 103,180,459
Cash and cash equivalents, restricted	221,268,554
Noncurrent assets	
Cash and cash equivalents, restricted	1,315,707

Total Cash and Cash Equivalents **\$ 325,764,720**

Non Cash Transactions

Increase in component unit receivable, restricted	\$ 166,948
Loss on sale of capital assets	\$ 2,439,042
Change in accounts payable and accruals related to capital assets	\$ 2,515,932

See Accompanying Notes to Financial Statements

COLLEGE OF CHARLESTON FOUNDATION AND SUBSIDIARIES
AND
COLLEGE OF CHARLESTON ATHLETIC FUND
NONGOVERNMENTAL DISCRETELY PRESENTED COMPONENT UNITS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2026

	Foundation	Athletic Fund	Total
Assets			
Cash and cash equivalents	\$ 1,809,526	\$ 3,203,104	\$ 5,012,630
Unconditional promises to give, net	16,127,657	833,578	16,961,235
Accounts receivable, net	-	5,224	5,224
Other assets	1,982,926	-	1,982,926
Investments	215,145,843	-	215,145,843
Property and equipment, net	4,807,262	757,552	5,564,814
Collections	13,668,562	-	13,668,562
Operating lease right-of-use assets	701,821	-	701,821
Total Assets	\$ 254,243,597	\$ 4,799,458	\$ 259,043,055
Liabilities And Net Assets			
Liabilities			
Accounts payable and accrued liabilities	\$ 514,028	\$ 14,782	\$ 528,810
Annuities payable	125,060	-	125,060
Due to related parties	-	146,897	146,897
Deferred revenue	-	2,053,361	2,053,361
Marine Genomics grant obligation (College of Charleston)	1,887,018	-	1,887,018
Operating lease liabilities	769,509	-	769,509
Total Liabilities	3,295,615	2,215,040	5,510,655
Net Assets			
Without donor restrictions:			
Board-designated quasi-endowment	10,333,200	360,561	10,693,761
Undesignated	22,913,988	248,902	23,162,890
Total Without Donor Restrictions	33,247,188	609,463	33,856,651
With donor restrictions:			
Purpose restrictions	120,327,417	1,141,377	121,468,794
Time-restricted for future periods	455,185	833,578	1,288,763
Perpetual in nature	96,918,192	-	96,918,192
Total With Donor Restrictions	217,700,794	1,974,955	219,675,749
Total Net Assets	250,947,982	2,584,418	253,532,400
Total Liabilities And Net Assets	\$ 254,243,597	\$ 4,799,458	\$ 259,043,055

See Accompanying Notes to Financial Statements

COLLEGE OF CHARLESTON FOUNDATION AND SUBSIDIARIES
AND
COLLEGE OF CHARLESTON ATHLETIC FUND
NONGOVERNMENTAL DISCRETELY PRESENTED COMPONENT UNITS
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2026

	Foundation Without Donor Restrictions	Athletic Fund Without Donor Restrictions	Foundation With Donor Restrictions	Athletic Fund With Donor Restrictions	Total
Revenue, Gains, (Losses), and Other Support					
Revenue and Gains					
Contributions of cash and other financial assets	\$ 747,724	\$ 25,536	\$ 15,757,519	\$ 3,186,820	\$ 19,717,599
Contributions of nonfinancial assets	6,811,180	56,995	653,710	-	7,521,885
Rental income	659,239	-	-	-	659,239
Interest and dividend income, net	172,180	37,494	-	-	209,674
Realized and unrealized gain on investments, net	5,995,887	-	24,375,832	-	30,371,719
Memberships	-	2,276,734	-	-	2,276,734
Sponsorships	-	1,184,350	-	-	1,184,350
Special events, net	-	162,558	-	-	162,558
STARR	-	-	-	1,497,084	1,497,084
Other income, net	14,878	94,017	296,567	-	405,462
Gain (loss) on disposal of property and equipment	241,479	-	(6,014)	-	235,465
Recoveries (losses) on promises to give	7,246	-	(1,178,336)	-	(1,171,090)
Changes in value of split-interest agreements	-	-	16,492	-	16,492
Total Revenue and Gains	14,649,813	3,837,684	39,915,770	4,683,904	63,087,171
Net assets released from restrictions and administrative fees	14,797,047	5,066,833	(14,797,047)	(5,066,833)	-
Total Revenue, Gains and Other Support, Net	29,446,860	8,904,517	25,118,723	(382,929)	63,087,171
Expenses					
Program					
Student aid and recognition	5,531,004	-	-	-	5,531,004
Programs of education, research, and student and faculty enrichment	8,435,671	7,904,634	-	-	16,340,305
Total Program Expenses	13,966,675	7,904,634	-	-	21,871,309
Supporting Services					
General and administrative	2,022,316	608,556	-	1,875,000	4,505,872
Fundraising	6,990,874	299,558	-	-	7,290,432
Total Supporting Services	9,013,190	908,114	-	1,875,000	11,796,304
Total Expenses	22,979,865	8,812,748	-	1,875,000	33,667,613
Change in Net Assets	6,466,995	91,769	25,118,723	(2,257,929)	29,419,558
Net Assets, Beginning of Year	26,780,193	517,694	192,582,071	4,232,884	224,112,842
Net Assets, End of Year	\$ 33,247,188	\$ 609,463	\$ 217,700,794	\$ 1,974,955	\$ 253,532,400

See Accompanying Notes to Financial Statements

COLLEGE OF CHARLESTON

ANNUAL COMPREHENSIVE FINANCIAL REPORT



Freshman take selfie with President Hsu and Clyde at Convocation

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The College of Charleston (the College) is a state-supported institution of higher education. The College's main purpose is to provide a world-class liberal arts education to undergraduate and graduate students. The College is committed to attracting the most promising students from South Carolina, other states in the nation, and from around the world. The College is a component unit of the State of South Carolina (the State), and its financial statements are included in the State's Annual Comprehensive Financial Report (ACFR).

The accompanying basic financial statements present the College's statement of net position, statement of revenues, expenses, and changes in net position, and the statement of cash flows. The financial statements include all individual schools and departments. The financial statements also include all funds and accounts of the College and all component units.

As defined by Generally Accepted Accounting Principles (GAAP) established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationships with the primary government are such that exclusion would cause the financial statements to be misleading or incomplete. Accordingly, the financial statements include the accounts of the College, as the primary government, and the accounts of its nongovernmental, discretely presented component units, the College of Charleston Foundation and Subsidiaries (the Foundation) and the College of Charleston Athletic Fund (the Athletic Fund).

The Foundation is a separately chartered corporation formed primarily to provide financial assistance and scholarships to the College. The Foundation reports in accordance with the Financial Accounting Standards Board (FASB), and its fiscal year runs concurrently with the College's.

The Athletic Fund is a separately chartered corporation organized exclusively to provide financial assistance and scholarships to the College's Athletic Department. The Athletic Fund reports under FASB and has a fiscal year that runs concurrently with the College.

Financial Statement Presentation

The financial statement presentation for the College meets the requirements of GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities-an amendment of GASB Statement No. 34* and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 103, *Financial Reporting Model Improvements*. The financial statement presentation provides a comprehensive, entity-wide perspective on the College's Net Position, Revenues, Expenses, Changes in Net Position, and Cash Flows.

In addition, and as per GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units-an amendment to GASB Statement No. 14* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus-an amendment of GASB Statements No. 14 and No. 34*, its component units are discretely presented in the report.

Basis of Accounting

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements reflect the economic resources measurement focus and the accrual basis of accounting. On an accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. Student tuition and fees and auxiliary enterprise fees are presented net of scholarship discounts and allowances applied to student accounts, while stipends and other payments made directly are presented as scholarship and fellowship expenses. All significant intra-agency transactions have been eliminated.

Cash and Cash Equivalents

The amounts shown in the financial statements in the College funds as "cash and cash equivalents" represent petty cash, cash on deposit in banks, cash on deposit with the State Treasurer, cash invested in various instruments by the State Treasurer as part of the State's internal cash management pool, as well as cash invested in various short-term investments by the State Treasurer and held in separate agency accounts.

Most State agencies, including the College, participate in the State's internal cash management pool. Because the cash management pool operates as a demand deposit account, amounts invested in the pool are classified as cash and cash equivalents. The State Treasurer administers the cash management pool. The pool includes some long-term investments such as obligations of the United States and certain

agencies of the United States, obligations of the State of South Carolina, and certain of its political subdivisions, certificates of deposit, and certain corporate bonds.

The State's internal cash management pool consists of a general deposit account and several special deposit accounts. The State records each fund's equity interest in the general deposit account; however, all earnings in the account are credited to the State's General Fund. The College records its deposits in the general deposit account at cost. It records and reports its special deposit account at fair value.

For the purposes of the Statement of Cash Flows, the College considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Funds invested through the State of South Carolina State Treasurer's Office are considered cash equivalents.

Investments

The College accounts for its investments at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment income in the Statement of Revenues, Expenses, and Changes in Net Position.

Accounts and Grants Receivable

Accounts receivable consists primarily of tuition and fee charges to students, capital appropriations available for drawdown from the State of South Carolina, and auxiliary enterprise services provided to students and other outside entities. Accounts receivable also include amounts due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

Inventories and Prepaid Items

The College reports inventories using the consumption approach, for which goods are recorded as assets at the time of purchase, and recognition of the expenditures is deferred until the goods are consumed. Inventories are carried at cost. The cost of inventory is reported on a first-in, first-out basis. Items accounted for as inventories include maintenance, janitorial, housing, and office supplies. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Lease Receivable

The College has recorded a lease receivable in accordance with GASB Statement No. 87, *Leases*. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources is measured as the lease receivable balance adjusted for prepayments received or incentives paid. The lease receivable is amortized, and lease revenue is recognized on a straight-line basis over the lease term.

Capital Assets

Capital assets are recorded at cost at the date of acquisition. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The College follows capitalization guidelines established by the State of South Carolina. All land is capitalized, regardless of cost. Qualifying improvements that rest in or on the land itself are recorded as depreciable land improvements. Major additions, renovations, and other improvements that increase usable space, prepare existing space for new uses, or extend the useful life of an existing building are capitalized.

The College capitalizes moveable personal property with a unit value of \$5,000 or more and a useful life of more than one year; additionally, the College capitalizes depreciable land improvements, buildings, and building improvements; and intangible assets costing \$100,000 or more. Routine repairs and maintenance, and library materials, except individual items costing \$5,000 or more, are charged to operating expenses in the year in which the expense was incurred.

Depreciation and amortization are computed using the straight-line method over the estimated useful life of the asset, 15 to 50 years for buildings, building improvements, and land improvements; 3 to 25 years for machinery, equipment, and vehicles; and 3 years for intangible assets.

Right-to-Use Lease Asset and Lease Liability

The College has recorded right-of-use lease assets and liabilities in accordance with GASB Statement No. 87, *Leases*. The right-to-use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use lease assets are amortized on a straight-line basis over the life of the related lease.

Right-to-Use Subscription-Based Information Technology Arrangements: Asset and Liability

The College has recorded right-to-use subscription-based information technology arrangements (SBITA) assets and liabilities in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. The subscription asset should be initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The SBITA assets are amortized over the subscription term.

Unearned Revenues and Deposits

Unearned revenues include amounts received for tuition and fees, and for certain auxiliary activities, prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

Deposits include residence hall deposits, advance tuition payments, and other miscellaneous deposits. Student deposits are recognized as revenue during the semester for which the fee to which the deposit relates is applicable and are earned when the deposit is nonrefundable to the student under the agreement's forfeiture terms.

Rebatable Arbitrage

Arbitrage involves the investment of proceeds from the sale of tax-exempt securities in a taxable investment that yields a higher rate of return, resulting in income more than interest costs. Federal law requires entities to rebate to the government such income on tax-exempt debt if the yield from these earnings exceeds the effective yield on the related tax-exempt debt issued.

Governmental units that issue no more than \$5 million in total of all such debt in a calendar year are exempt from the rebate requirements. For this purpose, tax-exempt indebtedness includes bonds, certain capital leases, and installment purchases. Rebates are payable every five years or at maturity of the debt, whichever is earlier. However, the potential liability is calculated annually for financial reporting purposes. The liability and expense incurred are recorded at year-end to accrued accounts payable in the Statement of Net Position, and as an expense in the Statement of Revenues, Expenses, and Changes in Net Position.

As of June 30, 2026, rebatable arbitrage liabilities totaled \$48,867 and are included in accounts payable and accrued expenses on the Statement of Net Position.

Noncurrent Liabilities

Noncurrent liabilities include (1) principal amounts of bonds and notes payable; (2) estimated amounts for accrued compensated absences; (3) net pension and other postemployment benefits (OPEB) liabilities; (4) lease and SBITA liabilities, and (5) other liabilities that, although payable within one year, are to be paid from funds that are classified as noncurrent assets.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement System (SCRS) and the South Carolina Police Officers Retirement System (PORS), and additions to/deductions from SCRS's and PORS's fiduciary net position, have been determined on the same basis as they are reported by SCRS or PORS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when they are due and payable in accordance with the benefit terms. Investments are reported at fair value.

Changes in net pension liability not included in pension expense are reported as deferred outflows or deferred inflows of resources. Employer contributions after the measurement date of the net pension liability are reported as deferred outflows of resources.

Postemployment Benefits Other Than Pensions

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Trusts, and additions to and deductions from the OPEB Trusts' fiduciary net position have been determined on the same basis as were reported by the OPEB Trusts. For this purpose, revenues are recognized when earned, and expenses are recognized when incurred. Therefore, benefits and administrative expenses are recognized when they are due and payable. Investments are reported at their fair value. The Net OPEB Liability (NOL) is calculated separately for each OPEB Trust Fund and represents that Trust's Total OPEB Liability (TOL), as determined in accordance with GASB No. 74, less than the Trust's fiduciary net position.

Changes in net OPEB liability not included in OPEB expense are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions after the measurement date of the net OPEB liability are reported as deferred outflows of resources.

Compensated Absences

The College accrues a liability for earned leave that carries over to future periods and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. When determining liability, leave is treated on a last-in, first-out (LIFO) basis. Generally, all permanent full-time State employees and certain part-time employees scheduled to work at least half of the agency's workweek are entitled to accrue and carry forward at calendar year-end maximums of 180 days of sick leave and 45 days of annual vacation leave. Upon termination of State employment, employees are entitled to be paid for accumulated unused annual vacation leave up to the maximum, but are not entitled to any payment for unused sick leave. Eligible employees earn sick leave monthly. The policy provides for the accumulation of unused sick leave, which is carried forward until used. Upon termination of employment, unused leave is forfeited.

The net change in the liability is recorded in the current year in the applicable functional expense categories. The liability and expenses are recorded at year-end as compensated absences payable in the Statement of Net Position, and as a component of personnel cost and benefits expense in the Statement of Revenues, Expenses, and Changes in Net Position.

Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future periods, and Deferred inflows of resources represent an acquisition of net assets that applies to future periods.

Net Position

The College's net position is classified as follows:

- **Net investment in capital assets:** This category represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included.
- **Restricted net position – nonexpendable:** Nonexpendable restricted net position consists of endowment and similar type funds which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity and invested for the purpose of producing present and future income, which may either be expended or added to principal.

- ***Restricted net position – expendable:*** Restricted expendable net position includes resources which the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.
- ***Unrestricted net position:*** Unrestricted net position represents resources derived from student tuition and fees, appropriations, and sales and services of educational departments. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services to students, faculty, and staff.

College policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

Income Taxes

The College, as a political subdivision of the State of South Carolina, is excluded from federal income taxes under Section 115(1) of the Internal Revenue Code, as amended.

The Internal Revenue Service has determined that the Foundation and the Athletic Fund qualify as exempt organizations under Internal Revenue Code Section 501(c)(3) and, as such, are exempt from taxation on related income.

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, are recorded as operating revenues in the College's financial statements. To the extent that revenues are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.

Sales and Services of Educational and Other Activities

Revenues from sales and services of educational and other activities generally consist of amounts received from instructional, laboratory, research, and public service activities that incidentally create goods and services which may be sold to students, faculty, staff, and the public. The College receives such revenues primarily from the public.

Auxiliary Enterprises and Internal Service Activities

Auxiliary enterprise revenues primarily represent revenues generated by intercollegiate athletics, parking, bookstore, food services, housing, health services, debit cards, and vending. Revenues from internal auxiliary enterprise activities and related expenditures by college departments have been eliminated.

Use of Estimates in Accounting

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows, deferred outflows, revenues, and expenditures/expenses, and affect disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Changes in Financial Accounting and Reporting

During the fiscal year ended June 30, 2026, the College implemented GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This Statement improves key components of the financial reporting model to enhance its effectiveness in providing information essential to decision-making and assessing a government's accountability. This Statement also addresses certain application issues. In accordance with GASB Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62, the adoption of this statement was reported as a change in accounting principle. The implementation of GASB Statement No. 103 did not require a restatement of beginning net position.

During the fiscal year ended June 30, 2026, the College implemented GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement is to provide users of government financial statements with essential information about certain types of capital assets. The adoption of this standard had no material impact on the College's financial statements.

New Accounting Pronouncements

In December 2025, GASB issued Statement No. 105, *Subsequent Events*. The objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026. The College is currently evaluating the impact of this Statement on its financial statements.

Other accounting standards that have been issued or proposed by the GASB or other standards-setting bodies are not expected to have a material impact on the College's financial position, changes in net position, or cash flows.

NOTE 2 – CASH AND CASH EQUIVALENTS, DEPOSITS, AND INVESTMENTS

Most deposits and investments of the College are under the control of the State Treasurer, who, by law, has sole authority for investing State funds. Information pertaining to the reported amounts, fair values, and credit risk of the State Treasurer's deposits and investments is disclosed in the ACFR of the State of South Carolina.

The following schedule, as of June 30, 2026, reconciles deposits and investments in the notes to the Statement of Net Position amounts:

Schedule of Deposits and Investments as of June 30, 2026

Statement of Net Position

Current assets	
Cash and cash equivalents	\$ 103,180,459
Cash and cash equivalents, restricted	221,268,554
Noncurrent assets	
Cash and cash equivalents, restricted	<u>1,315,707</u>
Total	<u>\$ 325,764,720</u>

Deposits and Investments

Cash on hand	\$ 4,562
Deposits held by State Treasurer	325,752,863
Deposits held by banks	<u>7,295</u>
Total	<u>\$ 325,764,720</u>

Deposits Held by State Treasurer Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the deposits of the College may not be returned. For deposits held by the State Treasurer, State law requires full collateralization of all State Treasurer bank balances. The State Treasurer must correct any deficiencies in collateral within seven days. As of June 30, 2026, all State Treasurer bank balances were fully insured or collateralized with securities held by the State or by its agents in the State's name.

Restricted Cash Deposits

Current restricted cash deposits of \$221,268,554 consist of \$207,020,364 for capital project accounts, \$13,412,242 for debt service accounts, and \$835,948 for other accounts. Noncurrent restricted cash deposits include amounts for endowment funds, student loan funds, and unrealized appreciation associated with amounts held by the State Treasurer.

Investments Held by State Treasurer Custodial Credit Risk

With respect to investments in the State's internal cash management pool, all the State Treasurer's investments are insured or registered or are investments for which the securities are held by the State or its agents in the State's name. Information pertaining to the reported amounts, fair values, credit risk, interest rate risk, and concentration risk of the State Treasurer's investments is disclosed in the Annual Comprehensive Financial Report of the State of South Carolina.



Exterior of the Blacklock house in the fall

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2026, are as follows:

Student accounts	\$ 1,854,891
Auxiliary enterprises	1,358,982
State Capital Appropriations	44,302,172
Other	<u>142,547</u>
Total accounts receivable	47,658,592
Allowance for bad debts	<u>(245,000)</u>
Accounts receivable, net	<u>47,413,592</u>
Federal grants and contracts	3,522,058
State grants and contracts	288,133
Nongovernmental grants and contracts	304,324
Local grants and contracts	<u>122,377</u>
Total grants and contracts receivable	<u>4,236,892</u>
Component unit receivable - Current	2,963,592
Component unit receivable - Noncurrent	1,887,018
Interest income receivable	1,665,679
Leases receivable	<u>2,549,986</u>
Total other receivables	<u>9,066,275</u>
Accounts receivable, net	<u>\$ 60,716,759</u>

Allowances for losses on student accounts receivable are established based upon actual losses incurred in prior years and/or evaluations of the current account portfolio. As of June 30, 2026, the allowance for bad debts on student accounts is estimated at \$235,000 and on non-student accounts at \$10,000, for a total of \$245,000.

NOTE 4 – CAPITAL ASSETS

	Beginning Balance 6/30/25	Increases	Decreases	Ending Balance 6/30/26
Capital assets not being depreciated:				
Land	\$ 85,070,985	\$ -	\$ -	\$ 85,070,985
Construction in progress	15,997,159	40,553,383	(1,023,121)	55,527,421
Total capital assets not being depreciated	101,068,144	40,553,383	(1,023,121)	140,598,406
Depreciable capital assets:				
Land improvements	6,452,517	-	-	6,452,517
Buildings	406,542,162	-	(841,714)	405,700,448
Building improvements	308,717,314	1,023,122	(2,592,598)	307,147,838
Machinery, equipment, and other	33,205,571	2,103,853	(3,768,828)	31,540,596
Information technology equipment and software	7,432,504	-	-	7,432,504
Motor vehicles	1,063,113	534,307	(24,317)	1,573,103
Lease assets:				
Land	5,508,775	180,320	-	5,689,095
Buildings	35,735,661	15,313,114	(1,508,125)	49,540,650
Machinery and equipment	341,492	-	(77,115)	264,377
Right-to-use subscription-based information technology	18,318,187	3,523,803	(2,534,499)	19,307,491
Total depreciable capital assets	823,317,296	22,678,519	(11,347,196)	834,648,619
Less accumulated depreciation and amortization:				
Land improvements	4,687,721	126,114	-	4,813,835
Buildings	205,815,936	8,985,903	(841,714)	213,960,125
Build improvements	99,268,936	12,097,986	(388,890)	110,978,032
Machinery, equipment, and other	23,146,287	1,742,831	(3,533,494)	21,355,624
Information technology equipment and software	7,432,504	-	-	7,432,504
Motor vehicles	478,652	181,988	(24,317)	636,323
Lease assets:				
Land	1,163,712	325,020	-	1,488,732
Buildings	23,036,528	6,082,093	(1,508,125)	27,610,496
Machinery and equipment	213,345	53,701	(77,115)	189,931
Right-to-use subscription-based information technology	8,704,693	4,547,810	(2,534,499)	10,718,004
Total accumulated depreciation and amortization	373,948,314	34,143,446	(8,908,154)	399,183,606
Depreciable capital assets, net	449,368,982	(11,464,927)	(2,439,042)	435,465,013
Capital assets, net	\$ 550,437,126	\$ 29,088,456	\$ (3,462,163)	\$ 576,063,419

During fiscal year 2026, depreciation and amortization expense was \$34,143,446. In addition, the College disposed of capital assets with a net book value of \$2,439,042. The loss from the sale of capital assets, net of proceeds, totaled \$2,415,156.

NOTE 5 – PENSION PLANS

The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, is the state agency responsible for the administration and management of the retirement systems and benefit programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee, and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the Systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with generally accepted accounting principles (GAAP). For this purpose, revenues are recognized when earned, and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

PEBA issues an Annual Comprehensive Financial Report (ACFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The ACFR is publicly available through PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is a division of the primary government of the state of South Carolina, and therefore, retirement trust fund financial information is also included in the ACFR for the state.

Plan Descriptions

- The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts, and participating charter schools, public higher education institutions, other

participating local subdivisions of government, and individuals first elected to the South Carolina General Assembly at or after the general election in November 2012.

- The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to SCRS to newly hired state, public higher education institution, and public school district employees, as well as individuals first elected to the South Carolina General Assembly at or after the general election in November 2012. State ORP participants direct the investment of their funds into an account administered by one of four third-party service providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the four third-party service providers. For this reason, State ORP assets are not part of the retirement systems' trust funds for financial statement purposes.
- The South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits to police officers and firefighters. PORS also covers peace officers, coroners, probate judges, and magistrates.

Membership

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each system is presented below.

- **SCRS** – Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees, and teachers and individuals first elected to the South Carolina General Assembly at or after the general election in November 2012. A member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. A member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.
- **State ORP** – As an alternative to membership in SCRS, newly hired state, public school, and higher education employees, as well as individuals first elected to the South Carolina General Assembly at or after the general election in November 2012, have the option to participate in the State ORP. Contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employer to the member's account with the ORP service provider for the employee contribution and a portion of the employer contribution (5 percent). A direct remittance is also required to SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by SCRS.

- **PORS** – To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; be a coroner in a full-time permanent position; or be a peace officer employed by the Department of Corrections, the Department of Juvenile Justice or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. A member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. A member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

Benefits

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current annual salary. A brief summary of the benefit terms for each system is presented below.

- **SCRS** – A Class Two member who has separated from service with at least five years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service, regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

- **PORS** – A Class Two member who has separated from service with at least five years of earned service is eligible for a monthly pension at age 55 or with 25 years of service, regardless of age. A Class Three member who has separated from service with at least eight years of earned service is eligible for a monthly pension at age 55 or with 27 years of service, regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Contributions

An external consulting actuary performs actuarial valuations annually to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Effective July 1, 2017, employee rates were increased and capped at 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017, for both SCRS and PORS until reaching 18.56 percent for SCRS and 21.24 percent for PORS. The legislation included a further provision that if the scheduled contributions are not sufficient to meet the funding periods set in state statute, the PEBA board would increase the employer contribution rates as necessary to meet the funding periods set for the applicable year.

Pension reform legislation modified statute such that the employer contribution rates for SCRS and PORS to be further increased, not to exceed one-half of one percent in any one year if necessary, in order to improve the funding of the plans. The statute set rates intended to reduce the unfunded liability of SCRS and PORS to the maximum amortization period of 20 years from 30 years over a ten-year schedule, as determined by the annual actuarial valuations of the plan. Finally, under the revised statute, the contribution rates for SCRS and PORS may not be decreased until the plans are at least 85 percent funded.

Required **employee** contribution rates¹ are as follows:

	<u>Fiscal Year 2026¹</u>	<u>Fiscal Year 2025¹</u>
SCRS		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
State ORP		
Employee	9.00%	9.00%
PORS		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

Required **employer** contribution rates¹ are as follows:

	<u>Fiscal Year 2026¹</u>	<u>Fiscal Year 2025¹</u>
SCRS³		
Employer Class Two	18.56%	18.56%
Employer Class Three	18.56%	18.56%
State ORP³		
Employer Contribution ²	18.56%	18.56%
PORS⁴		
Employer Class Two	21.24%	21.24%
Employer Class Three	21.24%	21.24%

¹ Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

² Of this employer contribution, 5% of earnable compensation must be remitted by the employer directly to the ORP service provider to be allocated to the member's account with the remainder of the employer contribution remitted to the SCRS.

³ Includes incidental death benefit contribution rate of 0.15%.

⁴ Includes incidental death benefit and accidental death benefit contribution rate of 0.20% each.

Actuarial Assumptions and Methods

Actuarial valuations of the ongoing plan involve estimates of the reported amounts and assumptions about the probability of the occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The GASB Statement No. 67 valuation report, prepared as of June 30, 2025, is based on the experience study report for the period ending June 30, 2023.

The June 30, 2025, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel Roeder Smith & Company (GRS) and are based on an actuarial valuation performed as of July 1, 2024. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2025, using generally accepted actuarial principles. There was no legislation enacted during the 2025 legislative session that had a material change in the benefit provisions for any of the systems.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2025.

	SCRS	PORS
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return ¹	7.0%	7.0%
Projected salary increases	3.0% to 11.25% (varies by service) ¹	3.5% to 11.0% (varies by service) ¹
Benefit adjustments	lesser of 1% or \$500 annually	lesser of 1% or \$500 annually

¹ Includes inflation at 2.25%.

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2020 Public Retirees of South Carolina Mortality table (2020 PRSC), were developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using 80 percent of the Scale UMP projected from the year 2020.

Assumptions used in the determination of the June 30, 2025, TPL are as follows.

Former Job Class	Males	Females
Educators	2020 PRSC Males multiplied by 95%	2020 PRSC Females multiplied by 94%
General Employees and Members of the General Assembly	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%
Public Safety and Firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%

Net Pension Plan Liability

The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB 67, less that system's fiduciary net position. NPL totals, as of June 30, 2025, for SCRS and PORS are presented below.

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of The Total Pension Liability
SCRS	\$ 63,956,318,760	\$ 42,347,352,061	\$ 21,608,966,699	66.2%
PORS	10,857,734,777	8,092,430,248	2,765,304,529	74.5%

The TPL is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. The NPL is disclosed in accordance with the requirements of GASB 67 in the Systems' notes to the financial statements and required supplementary information. Liability calculations performed by the Systems actuary for the purpose of satisfying the requirements of GASB 67 and 68 are not applicable for other purposes, such as determining the plans' funding requirements.

As of June 30, 2026, the College reported liabilities of \$157,003,751 and \$2,987,478 for its proportionate shares of the SCRS and PORS net pension liabilities, respectively, for a total of \$159,991,229. The net pension liabilities were measured as of June 30, 2025. The College's proportionate shares of the net pension liabilities were based on a projection of the College's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. As of June 30, 2025, the College's proportionate shares of the SCRS and PORS liabilities and expenses were 0.73 percent and 0.11 percent, respectively, which were no change and an increase of .01 percent from its proportionate shares as of June 30, 2024, which were 0.73 percent and 0.10 percent, respectively.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments is based upon 30-year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2025 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation, and is summarized in the table on the following page. For actuarial purposes, the 7.00 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

Allocation / Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
Public Equity	46.00%	5.87%	2.70%
Bonds	26.00%	3.20%	0.83%
Private Equity ¹	9.00%	8.50%	0.77%
Private Debt ¹	7.00%	7.40%	0.52%
Real Assets	12.00%		
Real Estate ¹	9.00%	5.00%	0.45%
Infrastructure ¹	<u>3.00%</u>	7.70%	<u>0.23%</u>
Expected Real Return²	<u>100.00%</u>		5.50%
Inflation for Actuarial Purposes			<u>2.25%</u>
Expected Rate of Return			<u>7.75%</u>

¹ RSIC staff and consultant will notify the Commission if the collective exposure to Private Equity, Private Debt and Private Real Assets exceeds 30 percent of total plan assets.

² Portable Alpha Strategies, which utilize Hedge Funds and are not included in the Policy Target, will be capped at 15% of total assets.

Discount Rate

The discount rate used to measure the TPL was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Sensitivity Analysis

The following table presents the collective NPL of the participating employers calculated using the discount rate of 7.00 percent, as well as what the employers' NPL would be if it were calculated using a discount rate that is 1.00 percent lower (6.00 percent) or 1.00 percent higher (8.00 percent) than the current rate.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

System	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
SCRS	\$ 212,165,857	\$ 157,003,751	\$ 111,100,575
PORS	4,547,074	2,987,478	1,707,983
Total	\$ 216,712,931	\$ 159,991,229	\$ 112,808,558

Pension Expense

For the year ended June 30, 2026, the College recognized pension expense for the SCRS and PORS plans of \$9,841,679 and \$215,607, respectively, for a total pension expense of \$10,057,286.



Using Telescopes to look at the stars on the top of RITA

Deferred Outflows and Inflows of Resources

As of June 30, 2026, the College reported deferred outflows of resources and deferred inflows of resources related to its pension liabilities from the following sources for each of the respective plans:

	SCRS	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 7,366,261	\$ -
Changes in assumptions	1,855,566	-
Net difference between projected and actual earnings on pension plan investments	-	10,080,223
Change in proportion and difference between employer contributions and proportionate share of plan contributions	2,516,536	656,424
College contributions subsequent to the measurement date	<u>20,518,553</u>	<u>-</u>
Total SCRS	<u>\$ 32,256,916</u>	<u>\$ 10,736,647</u>

	PORS	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 350,732	\$ -
Changes in assumptions	39,702	-
Net difference between projected and actual earnings on pension plan investments	-	281,351
Change in proportion and difference between employer contributions and proportionate share of plan contributions	223,452	44,120
College contributions subsequent to the measurement date	<u>511,415</u>	<u>-</u>
Total PORS	<u>\$ 1,125,301</u>	<u>\$ 325,471</u>
Total SCRS and PORS	<u>\$ 33,382,217</u>	<u>\$ 11,062,118</u>

The \$20,518,553 and \$511,415 reported as deferred outflows of resources related to pensions resulting from College contributions paid after the measurement date for the SCRS and PORS plans, respectively, during the year ended June 30, 2026, will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2027, of the systems.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension obligation will be recognized in pension expense as follows for the SCRS and PORS plans, respectively:

Future amortization:

	SCRS
Year ending June 30,	
2027	\$ 6,876,422
2028	(142,292)
2029	(3,408,499)
2030	(2,323,915)
Total	\$ 1,001,716

	PORS
Year ending June 30,	
2027	\$ 267,996
2028	116,842
2029	(32,351)
2030	(64,072)
Total	\$ 288,415

Additional Financial and Actuarial Information

Information contained in these Notes to the Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer (Schedules) was compiled from the Systems' audited financial statements for the fiscal year ended June 30, 2025, and the accounting valuation report as of June 30, 2025. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the Systems' ACFR.



Student studies on the porch of 9 Glebe Street

NOTE 6 – POST EMPLOYMENT BENEFITS OTHER THAN PENSION

The South Carolina Public Employee Benefit Authority (PEBA) was created by the South Carolina General Assembly as part of Act No. 278, effective July 1, 2012. PEBA – Insurance Benefits is a state agency responsible for the administration and management of the state's employee insurance programs, other post-employment benefits trusts, and retirement systems, and is part of the State of South Carolina's primary government.

The governing board of PEBA is a board of 11 members. The membership composition is three members appointed by the Governor, two members appointed by the President Pro Tempore of the Senate, two members appointed by the Chairman of the Senate Finance Committee, two members appointed by the Speaker of the House of Representatives, and two members appointed by the Chairman of the House Ways and Means Committee. Individuals appointed to the PEBA board must possess certain qualifications. Members of the PEBA board serve for terms of two years and until their successors are appointed and qualify. Terms commence on July first of even-numbered years. The PEBA board appoints the Executive Director. The laws of the State and the policies and procedures specified by the State for State agencies are applicable to all activities of PEBA. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions in administering the State Health Plan and other post-employment benefits (OPEB).

Plan Descriptions

The Other Post-Employment Benefits Trust Funds (OPEB Trusts), collectively referring to the South Carolina Retiree Health Insurance Trust Fund (SCRHITF) and the South Carolina Long-Term Disability Insurance Trust Fund (SCLTDITF), were established by the State of South Carolina as Act 195, which became effective in May 2008. The SCRHITF was created to fund and account for the employer costs of the State's retiree health and dental plans. The SCLTDITF was created to fund and account for the employer costs of the State's Basic Long-Term Disability Income Benefit Plan.

In accordance with Act 195, the OPEB Trusts are administered by the PEBA – Insurance Benefits and the State Treasurer is the custodian of the funds held in trust. The Board of Directors of PEBA has been designated as the Trustee.

The OPEB Trusts are cost-sharing multiple-employer defined benefit OPEB plans. Article 5 of the State Code of Laws defines the two plans and authorizes the Trustee to at any time adjust the plans, including its benefits and contributions, as necessary to insure the fiscal stability of the plans. In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State provides post-employment health and dental and long-term disability benefits to retired State and school district employees and their covered dependents.

Benefits

The SCRHITF is a healthcare plan that covers retired employees of the State of South Carolina, including all agencies and public school districts. The SCRHITF provides health and dental insurance benefits to eligible retirees. Generally, retirees are eligible for the health and dental benefits if they have established at least ten years of retirement service credit. For new hires beginning employment May 2, 2008, and after, retirees are eligible for benefits if they have established 25 years of service for 100 percent employer funding and 15-24 years of service for 50 percent employer funding.

The SCLTDITF is a long-term disability plan that covers employees of the State of South Carolina, including all agencies and public school districts, and all participating local governmental entities. The SCLTDITF provides disability payments to eligible employees who have been approved for disability.

Contributions and Funding Policies

Section 1-11-710 of the South Carolina Code of Laws of 1976, as amended, requires the postemployment and long-term disability benefits to be funded through non-employer and employer contributions for active employees and retirees to the PEBA – Insurance Benefits.

The SCRHITF is funded through participating employers that are mandated by State statute to contribute at a rate assessed each year by the Department of Administration Executive Budget Office on active employee covered payroll. The covered payroll surcharge for the year ended June 30, 2025, was 6.35 percent. The South Carolina Retirement System collects the monthly covered payroll surcharge for all participating employers and remits it directly to the SCRHITF. Other sources of funding for the SCRHITF also include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy represents a portion of the health care expenditures paid on behalf of the employer's active employees. For purposes of GASB Statement No. 75, this expenditure on behalf of the active employee is reclassified as a retiree health care expenditure so that the employer's contributions towards the plan reflect the underlying age-adjusted, retiree benefit costs. Non-employer contributions consist of an annual appropriation by the General Assembly and the statutorily required transfer from PEBA – Insurance Benefits reserves. However, due to the COVID-19 pandemic and the impact it has had on the PEBA – Insurance Benefits reserves, the General Assembly has indefinitely suspended the statutorily required transfer until further notice. The SCRHITF is also funded through investment income.

The SCLTDITF is funded through employer contributions for active employees that elect health insurance coverage. For this group of active employees, PEBA – Insurance Benefits bills and collects premiums charged to State agencies, public school districts and other participating local governments. The monthly premium per active employee was \$3.22 for the fiscal year ended June 30, 2025. The SCLTDITF

premium is billed monthly by PEBA – Insurance Benefits and transferred monthly to the SCLTDITF. It is also funded through investment income.

The allocation percentage of the OPEB amounts are calculated differently for each OPEB Trust. For the SCRHITF, the allocation percentage is based on the covered payroll surcharge contribution for each employer. Please note that actual covered payroll contributions received from SCRS for the fiscal year 2025 totaled \$783,035,001. However, the covered payroll contributions total includes prior year covered payroll contribution adjustments and true-ups that net to a total of \$277,923.

In accordance with part (b) of paragraph 69 of GASB Statement No. 75, participating employers should recognize revenue in an amount equal to the employer's proportionate share of the change in the collective net OPEB liability arising from contributions to the OPEB plan during the measurement period from non-employer contributing entities for purposes other than the separate financing of specific liabilities to the OPEB plan. Therefore, employers should classify this revenue in the same manner as it classifies grants from other entities.

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Trusts, and additions to and deductions from the OPEB Trusts' fiduciary net position have been determined on the same basis as they were reported by the OPEB Trusts. For this purpose, revenues are recognized when earned, and expenses are recognized when incurred. Therefore, benefit and administrative expenses are recognized when due and payable. Investments are reported at fair value.

PEBA – Insurance Benefits issues audited financial statements and required supplementary information for the OPEB Trust Funds. This information is publicly available through the PEBA – Insurance Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA – Insurance Benefits, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina, and therefore, OPEB Trust fund financial information is also included in the annual comprehensive financial report of the state.

Actuarial Assumptions and Methods

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plans (as understood by the employer and plan participants) and include the types of benefits provided at the time the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

Additional information as of the latest actuarial valuation for **SCRHITF**:

Valuation Date:	June 30, 2024
Actuarial Cost Method:	Individual Entry – Age Normal
Inflation:	2.25 percent
Investment Rate of Return:	2.75 percent, net of OPEB Plan investment expense; including inflation
Single Discount Rate:	5.05 percent as of June 30, 2025
Demographic Assumptions:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2023
Mortality:	For healthy retirees, the gender-distinct South Carolina Retirees 2020 Mortality Tables are used with multipliers based on plan experience; the rates are projected on a fully generational basis using 80 percent of the ultimate rates of Scale MP-2020 to account for future mortality improvements.
Health Care Trend Rate:	Initial trend starting at 6.80 percent and gradually decreasing to an ultimate trend rate of 4.25 percent over a period of 15 years.
Aging Factors:	Based on plan specific experience
Retiree Participation:	A. 75 percent for retirees who are eligible for funded premiums B. 60 percent participation for retirees who are eligible for Partial Funded Premiums C. 20 percent participation for retirees who are eligible for Non-Funded Premiums
Notes:	The discount rate changed from 3.97 percent as of June 30, 2024 to 5.05 percent as of June 30, 2025. Additionally, the demographic and salary increase assumptions were updated to reflect the 2024 SCRS experience study, and both the health care trend rates and election assumption rates were updated to reflect the plan's anticipated experience.

Additional information as of the latest actuarial valuation for **SCLTDITF**:

Valuation Date:	June 30, 2024
Actuarial Cost Method:	Individual Entry – Age Normal
Inflation:	2.25 percent
Investment Rate of Return:	3.00 percent, net of Plan investment expense; including inflation
Single Discount Rate:	4.41 percent as of June 30, 2025
Salary, Termination, and Retirement Rates:	Based on the experience study performed for the South Carolina Retirement Systems for the 5-year period ending June 30, 2023
Disability Incidence:	The disability incidence rates used in the valuation are 245 percent of the rates developed for the South Carolina Retirement Systems pension plans.
Disability Recovery:	For participants in payment, 1987 CGDT Group Disability; for active employees, 60 percent were assumed to recover after the first year and 93 percent were assumed to recover after the first two years.
Offsets:	45 percent are assumed to be eligible for Social Security benefits; assumed percentage who will be eligible for a pension plan offset varies based on employee group
Expenses:	Third party administrative expenses were included in the benefit projections.
Notes:	The discount rate changed from 3.68 percent as of June 30, 2024 to 4.41 percent as of June 30, 2025. Additionally, the demographic and salary increase assumptions were updated to reflect the 2024 experience study for the SCRS and the disability incidence assumption was updated to reflect anticipated experience.

Net OPEB Liability and Expense

The Net OPEB Liability (NOL) is calculated separately for each OPEB Trust Fund and represents that particular Trust's Total OPEB Liability (TOL) determined in accordance with GASB No. 74 less that Trust's fiduciary net position. The allocation of each employer's proportionate share of the collective Net OPEB Liability and collective OPEB Expense was determined using the employer's payroll-related contributions over the measurement period. This method is expected to be reflective of the employer's long-term contribution effort as well as be transparent to individual employers and their external auditors.

The following table represents the components of the net OPEB liability as of June 30, 2025:

OPEB Trust	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Plan Fiduciary Net Position as a % of Total OPEB Liability
SCRHITF	\$ 17,049,657,227	\$ 1,931,391,247	\$ 15,118,265,980	11.33%
SCLTDITF	49,767,853	32,427,147	17,340,706	65.16%

The TOL is calculated by the Trust's actuary, and each Trust's fiduciary net position is reported in the Trust's financial statements. The NOL is disclosed in accordance with the requirements of GASB No. 74 in the Trusts' notes to the financial statements and required supplementary information. Liability calculations performed by the Trust's actuary for the purpose of satisfying the requirements of GASB Nos. 74 and 75 are not applicable for other purposes, such as determining the Trusts' funding requirements.

At June 30, 2026, the College reported liabilities of \$155,551,386 and \$111,983 for its proportionate shares of the SCRHITF and SCLTDITF net OPEB liabilities, respectively, as of June 30, 2025, for a total of \$155,663,369. For the year ended June 30, 2026, the College recognized OPEB expense for SCRHITF and SCLTDITF of \$5,800,271 and \$73,088, respectively, for a total OPEB expense of \$5,873,359. The College's proportionate shares of the collective net OPEB liabilities and collective OPEB expense were determined using the employer's payroll-related contributions over the measurement period. At June 30, 2025, the College's proportionate shares of the SCRHITF and SCLTDITF liabilities and expenses were 1.03 percent and 0.65 percent, respectively, which were no change and an increase of 0.01 percent from its proportionate shares as of June 30, 2024, which were 1.03 percent and 0.64 percent, respectively.

Single Discount Rate

The Single Discount Rate of 5.05 percent was used to measure the total OPEB liability for the SCRHITF. The accounting policy for this plan is to set the Single Discount Rate equal to the prevailing municipal bond rate. Due to the plan's investment and funding policies, the difference between a blended discount rate and the municipal bond rate would be less than several basis points (several hundredths of one percent).

A Single Discount Rate of 4.41 percent was used to measure the total OPEB liability for the SCLTDITF. This Single Discount Rate was based on an expected rate of return on plan investments of 3.00% and a municipal bond rate of 5.20 percent. The projection of cash flows to determine this Single Discount Rate assumed that employer contributions will remain at \$38.64 per year for each covered active employee. Based on these assumptions, the plan's Fiduciary Net Position and future contributions were sufficient to finance the benefit payments through the year 2034. As a result, the long-term expected rate of return on

plan investments was applied to project benefit payments through the year 2034, and the municipal bond rate was applied to all benefit payments after that date.

Long-Term Expected Rate of Return

The long-term expected rate of return represents assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2018 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation. This information is summarized in the following table:

South Carolina Retiree Health Insurance Trust Fund

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation-Weighted Long-Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.95%	0.76%
Cash equivalents	20.00%	0.35%	0.07%
Total	100.00%		0.83%
Expected Inflation			2.25%
Total Return			3.08%
Investment Return Assumption			2.75%

South Carolina Long-Term Disability Insurance Trust Fund

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Allocation-Weighted Long-Term Expected Real Rate of Return
U.S. Domestic Fixed Income	80.00%	0.95%	0.76%
Cash equivalents	20.00%	0.35%	0.07%
Total	100.00%		0.83%
Expected Inflation			2.25%
Total Return			3.08%
Investment Return Assumption			3.00%

Sensitivity Analysis

The following table presents the SCRHITF's net OPEB liability calculated using a Single Discount Rate of 5.05 percent, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease 4.05%	Current Discount Rate 5.05%	1% Increase 6.05%
SCRHITF Net OPEB Liability	\$ 182,247,838	\$ 155,551,386	\$ 134,514,854

Regarding the sensitivity of the SCRHITF's net OPEB liability to changes in the healthcare cost trend rates, the following table presents the plan's net OPEB liability, calculated using the assumed trend rates, as well as what the plan's net OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

	1% Decrease 4.05%	Current Healthcare Cost Trend Rate 5.05%	1% Increase 6.05%
SCRHITF Net OPEB Liability	\$ 130,224,768	\$ 155,551,386	\$ 188,480,672

The following table presents the SCLTDITF's net OPEB liability calculated using a Single Discount Rate of 4.41 percent, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease 3.41%	Current Discount Rate 4.41%	1% Increase 5.41%
SCLTDITF Net OPEB Liability	\$ 124,731	\$ 111,983	\$ 99,836
Total SCRHITF and SCLTDITF Net OPEB Liability	\$ 130,349,499	\$ 155,663,369	\$ 188,580,508

The SCLTDITF's net OPEB liability is not affected by changes in the healthcare cost trend rates due to the method used to calculate benefit payments. Therefore, the sensitivity to changes in the healthcare cost trend rates has not been calculated.

Deferred Outflows and Inflows of Resources

As discussed in paragraph 86 of GASB Statement No. 75, differences between expected and actual experience and changes in assumptions are recognized in OPEB expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided OPEB through the OPEB plan (active and inactive members) determined as of the beginning of the measurement period.

Additionally, differences between projected and actual earnings on OPEB plan investments should be recognized in OPEB expense using a systematic and rational method over a closed five-year period. For this purpose, the deferred outflows and inflows of resources are recognized in the OPEB expense as a level dollar amount over the closed period identified above.

At June 30, 2026, the College reported deferred outflows of resources and deferred inflows of resources related to its OPEB liabilities from the following sources for each of the respective trusts:

	SCRHITF	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 12,422,770	\$ 18,409,538
Changes in assumptions	24,381,722	43,977,356
Net difference between projected and actual earnings on pension plan investments	-	169,361
Change in proportion & difference between employer contributions & proportionate share of plan contributions	903,884	8,747,708
College contributions subsequent to the measurement date	9,338,852	-
Total SCRHITF	\$ 47,047,228	\$ 71,303,963
	SCLTDITF	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 34,738	\$ 7,838
Changes in assumptions	9,029	24,010
Net difference between projected and actual earnings on pension plan investments	4,844	-
Change in proportion & difference between employer contributions & proportionate share of plan contributions	316	3,019
College contributions subsequent to the measurement date	51,919	-
Total SCLTDITF	\$ 100,846	\$ 34,867
Total SCRHITF and SCLTDITF	\$ 47,148,074	\$ 71,338,830

College contributions made after the measurement date of the net OPEB liability but before the end of the College's reporting period will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB obligation will be recognized in OPEB expense as follows for the SCRHITF and SCLTDITF trusts, respectively:

	SCRHITF
Year ending June 30,	
2027	\$ (7,872,648)
2028	(11,161,736)
2029	(12,332,232)
2030	(1,894,147)
2031	1,229,772
Thereafter	(1,564,596)
Total	<u>\$ (33,595,587)</u>

	SCLTDITF
Year ending June 30,	
2027	\$ 8,447
2028	1,385
2029	117
2030	390
2031	1,684
Thereafter	2,037
Total	<u>\$ 14,060</u>

Additional Financial and Actuarial Information

Information contained in these Notes to the Schedules of OPEB Amounts by Employer (the Schedules) were compiled from the OPEB Trust Funds audited financial statements for the fiscal year ended June 30, 2025, and the accounting and financial reporting actuarial valuations as of June 30, 2025. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the OPEB Trust Funds audited financial statements.

NOTE 7 – LITIGATION, CONTINGENCIES, PROJECT COMMITMENTS, AND SUBSEQUENT EVENTS

Litigation

The College is a party to various lawsuits arising from the normal conduct of its operations. In the opinion of college management, there are no material claims or lawsuits against the College that are not covered by insurance or whose settlement would materially affect the College's financial position.

Contingencies

The College participates in certain federal grant programs. These programs are subject to financial and compliance audits by the grantor or its representative. Such audits could lead to reimbursement requests from the grantor agency for expenditures disallowed under the grant terms. Management believes disallowances, if any, would not materially affect the College's financial position.

Project Commitments

The College had outstanding project commitments under contracts totaling approximately \$41,132,000 as of June 30, 2026. Of this total, approximately \$29,837,000 is attributable to capital projects. The College has current resources on hand from bond issues, private gifts, and student fees to cover these commitments.

Subsequent Events

The College evaluated subsequent events through October 1, 2026, which is the date the financial statements were issued. The College has concluded that no subsequent events have occurred that would require disclosure.

NOTE 8 – LEASE OBLIGATIONS

The College (as a lessor) leases land and a parking garage to St. Phillip Parking Garage, LLC. The term of this lease is 99 years, unless terminated or extended.

The College (as a lessee) has obtained land, buildings, and vehicles through long-term leases. The terms and conditions for the leases vary. Some leases have fixed payments, while others have variable payments.

The College's leasing arrangements as of June 30, 2026, are summarized below (excluding short-term leases):

Classification	Number of Lease Contracts	Lease Receivable (Liability) June 30, 2026	Current Portion	Lease Terms ⁽¹⁾	Interest Rate Ranges
Lessor:					
Land	1	\$ 2,549,986	\$ -	99	5.00%
Total lessor	1	\$ 2,549,986	\$ -		
Lessee:					
Right-to-use land	5	\$ (4,614,483)	\$ (277,704)	4 - 65	5.00%
Right-to-use buildings	18	(23,225,984)	(6,238,824)	1 - 10	4.34% to 5.00%
Right-to-use machinery and equipment	9	(82,149)	(35,403)	5 - 10	5.00%
Total lessee	32	\$ (27,922,616)	\$ (6,551,931)		

(1) Terms are in years.

- **Lease Receivable** – During the year, the College did not recognize any variable payment amounts.
- **Lease Liability** – Measurement of the lease liability excludes the increase or decrease in payments after the initial measurement of the lease liability that depends on changes in an index or rate (such as the Consumer Price Index). During the year, the College did not recognize any variable payment amounts.

Future principal and interest lease payments for leases payable as of June 30, 2026, were as follows:

Year Ending June 30,	Principal	Interest	Total
2027	\$ 6,551,931	\$ 1,116,722	\$ 7,668,653
2028	6,461,884	840,821	7,302,705
2029	2,802,635	607,854	3,410,489
2030	2,473,001	500,025	2,973,026
2031	2,629,724	391,275	3,020,999
2032-2036	3,885,597	1,000,518	4,886,115
2037-2041	523,517	727,999	1,251,516
2042-2046	429,155	622,361	1,051,516
2047-2051	550,819	500,697	1,051,516
2052-2056	706,830	344,686	1,051,516
2057-2061	907,523	143,993	1,051,516
Total	\$ 27,922,616	\$ 6,796,951	\$ 34,719,567

The College had \$3,409,493 in outstanding lease payments payable to the Foundation as of June 30, 2026.

NOTE 9 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA) OBLIGATIONS

The College enters into SBITA contracts for the right to use information technology software and cloud computing arrangement (network) assets from external parties. The SBITAs expire at various dates, and some have renewal options. Right-to-use subscription liabilities and the related right-to-use subscription assets are recorded based on the present value of expected payments over the term of the respective SBITA. The expected payments are discounted using the interest rate stated per the SBITA contract, or the College's estimated incremental borrowing rate if there is no stated contractual interest rate.

The College's SBITAs as of June 30, 2026, are summarized below (excluding short-term SBITAs):

SBITA	Number of SBITA Contracts	Subscription (SBITA) Liabilities June 30, 2026	Current Portion	SBITA Terms ⁽¹⁾	Interest Rate Ranges
Right-to-use subscription liabilities	78	\$ (6,971,048)	\$(3,198,922)	1 - 5	7.50% - 8.50%
Total lessee	78	\$ (6,971,048)	\$(3,198,922)		

(1) Terms are in years.

Measurement of the subscription liability excluded the following variable payment amounts: 1) the increase or decrease in payments after the initial measurement of the subscription liability that depend on changes in an index or rate (such as the Consumer Price Index), and 2) payments based on future performance or usage of the underlying assets. During the fiscal year, the College did not recognize any variable payment amounts.

Future principal and interest lease payments for SBITA obligations as of June 30, 2026, were as follows:

Year Ending June 30,	Principal	Interest	Total
2027	\$ 3,198,922	\$ 557,623	\$ 3,756,545
2028	2,076,621	301,198	2,377,819
2029	1,349,880	135,765	1,485,645
2030	345,625	26,055	371,680
Total	\$ 6,971,048	\$ 1,020,641	\$ 7,991,689

NOTE 10 – BONDS AND NOTES PAYABLE

Bonds and notes payable consisted of the following on June 30, 2026:

	<u>Original Balance</u>	<u>Fixed Interest Rate</u>	<u>Maturity Dates</u>	<u>Outstanding Balance</u>	<u>Debt Retired Fiscal year 2026</u>
Revenue Bonds					
Higher Education Facilities Revenue Bonds					
Bond, Series 2012A	\$ 25,630,000	2.00% - 4.00%	2032	\$ 9,285,000	\$ 1,390,000
Bond, Series 2013A	12,510,000	3.00% - 4.00%	2033	4,020,000	505,000
Bond, Series 2017A	42,705,000	3.00% - 5.00%	2037	27,990,000	1,970,000
Bond, Series 2025A	78,000,000	4.00% - 5.00%	2055	78,000,000	-
Total Higher Education Facilities Revenue Bonds				<u>119,295,000</u>	<u>3,865,000</u>
Academic/Administrative Facilities Revenue Bonds					
Bond, Series 2013B	24,835,000	2.00% - 5.00%	2034	12,890,000	1,395,000
Bond, Series 2014A	54,255,000	3.00% - 5.00%	2044	41,285,000	1,600,000
Bond, Series 2017B	31,345,000	3.00% - 5.00%	2037	20,525,000	1,450,000
Bond, Series 2021A	24,075,000	2.00% - 5.00%	2037	18,280,000	1,275,000
Bond, Series 2021B	43,190,000	2.00% - 5.00%	2051	40,290,000	1,015,000
Total Academic/Administrative Facilities Revenue Bonds				<u>133,270,000</u>	<u>6,735,000</u>
Total Revenue Bonds				<u>252,565,000</u>	<u>10,600,000</u>
Notes Payable				<u>17,396,140</u>	<u>1,388,842</u>
Unamortized Bond Premiums				<u>10,301,666</u>	
Total Bonds and Notes Payable				<u>\$ 280,262,806</u>	<u>\$ 11,988,842</u>

Bonds issued by the College include certain restrictive covenants. Auxiliary Revenue Bonds are payable solely from and secured by a pledge of revenue from the College's residence halls, food service, and parking, and additional funds from the capital improvement fee imposed by the Board of Trustees. Management believes the College was in compliance with all applicable bond covenants as of June 30, 2026.

Bond premiums(discounts) are capitalized and amortized over the life of the bonds. Deferred losses on refunding are capitalized and amortized over the shorter of the remaining lives of the old and new debt. The amount amortized for bond premiums was \$869,032, and the amount amortized for deferred losses on refunding was \$22,758.

Total interest and amortization expense on bonds and notes payable incurred for fiscal year 2026 was \$9,261,870.

In July 2021, the College entered into an equipment master lease/purchase agreement (the Agreement) with a financial institution for \$21,458,202. The equipment was used to maximize energy savings on the College's campus through technology upgrades, equipment replacements, and updates to the existing energy management and building control systems. The Agreement calls for annual escalating lease payments beginning June 1, 2022, through December 1, 2036, bearing interest at 1.67 percent. Payments of principal and interest range from approximately \$1,722,000 in June 2027 to approximately \$1,885,000 in June 2036, and a final payment of approximately \$1,143,000 due in December 2036.

The amounts, including interest, required to complete payment of the Revenue Bonds as of June 30, 2026, are as follows:

Revenue Bonds			
Year ending June 30,	Principal	Interest	Total
2027	\$ 11,065,000	\$ 9,435,394	\$ 20,500,394
2028	11,520,000	8,980,450	20,500,450
2029	13,505,000	8,501,737	22,006,737
2030	14,065,000	7,933,075	21,998,075
2031	14,580,000	7,416,688	21,996,688
2032-2036	68,050,000	29,328,019	97,378,019
2037-2041	40,200,000	19,119,861	59,319,861
2042-2046	33,020,000	12,483,587	45,503,587
2047-2051	28,670,000	7,138,132	35,808,132
2052-2055	17,890,000	1,998,719	19,888,719
Total Revenue Bonds	\$ 252,565,000	\$ 112,335,662	\$ 364,900,662

Amounts including interest required to complete payment of the master lease/purchase agreement (the Agreement) as of June 30, 2026, are as follows:

Notes Payable			
Year ending June 30,	Principal	Interest	Total
2027	\$ 1,429,310	\$ 292,750	\$ 1,722,060
2028	1,470,646	268,696	1,739,342
2029	1,512,863	243,948	1,756,811
2030	1,555,980	218,489	1,774,469
2031	1,600,015	192,304	1,792,319
2032-2036	8,693,904	542,257	9,236,161
2037	1,133,422	9,496	1,142,918
Total Notes Payable	\$ 17,396,140	\$ 1,767,940	\$ 19,164,080

NOTE 11 – LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2026, was as follows:

	6/30/2025	Additions	Reductions	6/30/2026	Due Within One Year
Bonds payable					
Revenue bonds	\$ 263,165,000	\$ -	\$ 10,600,000	\$ 252,565,000	\$ 11,065,000
Unamortized bond premiums	11,170,698	-	869,032	10,301,666	869,031
Total revenue bonds	274,335,698	-	11,469,032	262,866,666	11,934,031
Notes payable					
Notes payable	18,784,982	-	1,388,842	17,396,140	1,429,310
Total bonds and notes payable	293,120,680	-	12,857,874	280,262,806	13,363,341
Lease obligations					
Lease obligations	18,932,172	15,493,435	6,502,991	27,922,616	6,551,931
Total lease obligations	18,932,172	15,493,435	6,502,991	27,922,616	6,551,931
Subscription obligations					
Subscription obligations	7,473,087	3,523,804	4,025,843	6,971,048	3,198,922
Total subscription obligations	7,473,087	3,523,804	4,025,843	6,971,048	3,198,922
Other liabilities					
Net pension liability	174,276,924	11,043,702	25,329,397	159,991,229	-
Net OPEB liability	166,475,564	7,872,059	18,684,254	155,663,369	-
Compensated absences payable	11,630,756	264,171	-	11,894,927	6,713,743
Total other liabilities	352,383,244	19,179,932	44,013,651	327,549,525	6,713,743
Total long-term liabilities	\$ 671,909,183	\$ 38,197,171	\$ 67,400,359	\$ 642,705,995	\$ 29,827,937



2026 EXPO in Johnson Gym

NOTE 12 – DONOR RESTRICTED ENDOWMENTS

The College is the recipient of two restricted endowments. One is an endowed professorship from the Commission of Higher Education in the amount of \$100,000, with a stipulation that only earnings can be used to fund endowed chairs at the College. For the year ended June 30, 2026, interest income of \$3,276 was available for spending, but was restricted for specific purposes.

The other endowment, funded through the South Carolina Research Centers of Economic Excellence Act of 2002 in the amount of \$1,000,000, was received during fiscal year 2005 through a Memorandum of Understanding between the College and the Medical University of South Carolina (MUSC). As of June 30, 2026, cumulative net appreciation on these funds was \$887,018, and the total endowed balance of \$1,887,018 is included in noncurrent component unit receivable, restricted on the Statement of Net Position.

The College has joined with MUSC to raise \$2,000,000 in nonstate matching funds for collaborative research at the Research Center in Applied Marine Genomics. Through an agreement between the College and the Foundation, and permissible under South Carolina Code of Laws Section 59-101-410(b), the College loaned the funds to the Foundation for the specific purpose of maximizing the College's investment yield. The collaborative research project is intended to be a permanent program; however, if the program is discontinued, the Foundation must return the funds, plus any earnings, less any authorized program spending and customary administrative fees.

NOTE 13 – COMPONENT UNITS

Certain separately chartered legal entities whose activities are related to those of the College exist primarily to provide financial assistance and other support to the College and its educational programs. They include the College of Charleston Foundation and the College of Charleston Athletic Fund. Independent auditors retained by each organization audit the financial statements of these entities.

The financial reports on the Foundation and Athletic Fund may be obtained by writing to:

College of Charleston **Foundation**
Attention: Managing Director
66 George Street
Charleston, South Carolina, 29424

College of Charleston **Athletic Fund**
Attention: Director of Finance
66 George Street
Charleston, South Carolina, 29424

Effective fiscal year June 30, 2004, and in accordance with the GASB Statement No. 39 implementation guidelines, the College began recognizing the Foundation and the Athletic Fund as component units and presenting their financial statements in a discrete format. Both entities report under the FASB's guidelines.

College of Charleston Foundation

The Foundation is a not-for-profit organization established in 1970 to promote programs of education, research, student development, and faculty development for the exclusive benefit of the College. Major sources of income are donor contributions and investment income. The Foundation provides support to the College for two primary purposes:

Student Aid and Recognition

The College of Charleston Foundation provides student aid and recognition to students at the College primarily through scholarships, grants, and award programs.

Programs of Education, Research, and Student and Faculty Enrichment

The Foundation provides funding to the College to promote programs of education, research, student enrichment, and faculty development.

Investments

Investments in equity securities with readily determinable fair values and all debt securities are recorded at fair value based upon quoted market prices. Investments in limited partnerships are stated at fair values based upon financial information provided by external investment managers. Because limited partnership interests are not readily marketable, the estimated value is subject to uncertainty and, therefore, may differ significantly from the value that would have been used had a ready market for the investments existed. Investments donated to the Foundation are initially recorded at fair value on the date of the gift. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included on the consolidated statement of activities and changes in net assets.

Investment income is recorded net of investment expenses. Realized gains or losses on investments are determined by comparing the specific cost of acquisition to the proceeds at the time of disposal.

Unrealized gains or losses are calculated by comparing the cost to the market values at the consolidated statement of financial position date.

Investment Pools

The Foundation maintains master investment accounts for its donor-restricted and board-designated quasi-endowments. Investment income and expenses, including unrealized gains and losses from securities in the master investment accounts, are allocated monthly to the individual endowments based on the relationship of the fair value of each endowment to the fair value of the master investment accounts, adjusted for additions to or deductions from those accounts.

Credit Risk

The Foundation places its cash and cash equivalents on deposit with commercial banks. The Federal Deposit Insurance Corporation ("FDIC") covers \$250,000 for each interest-bearing account. At times, the Foundation may maintain bank account balances more than the FDIC-insured limit. The Foundation has not experienced losses in such deposit accounts and believes it is not exposed to any significant credit risk in this regard.

The Foundation is also subject to concentration of credit risk related to its unconditional promises to give. Contributions and unconditional promises to give consist of gift amounts from individuals and businesses, many of which are in the State of South Carolina. As of June 30, 2026, promises to give from three donors accounted for approximately 48 percent of the total unconditional promises-to-give balance.

Endowment Funds

The Foundation's endowment consists of approximately 700 individual funds established for a variety of purposes, including funds established by donors to provide annual funding for specific activities and general operations, and certain net assets without donor restrictions that have been designated for endowment by the Board of Directors. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions and the Foundation's interpretation of relevant law.

Investments – Nongovernmental Discretely Presented Component Units

A summary of investments held by the Foundation as of June 30, 2026, was as follows:

Investments Carried at Fair Value	Cost	Fair value
Cash and cash equivalents	\$ 7,393,201	\$ 7,393,201
Debt and equity securities	431,084	586,906
Mutual funds	62,234	65,406
Multi-strategy limited partnerships	121,981,103	207,100,330
Total	\$ 129,867,622	\$ 215,145,843

The following schedule details transactions between the College and the Foundation during the year ended June 30, 2026:

The College paid the Foundation for the rental of certain real property. The amount is reported as part of operating expenses. In addition, see Note 9 regarding lease transactions with the Foundation. \$ 659,239

The Foundation reimbursed the College for scholarships awarded. The amount is reported as a part of gifts under nonoperating revenue. \$ 5,326,918

The Foundation reimbursed the College for certain expenditures that were paid for by the College. \$ 2,485,849

College of Charleston Athletic Fund

The Athletic Fund is a nonprofit organization whose sole purpose is to provide support to the College's athletic department through scholarships and revenue generated by fundraising and membership activities. The College received \$1,628,793 in scholarships and other support from the Athletic Fund for the year ended June 30, 2026.

Credit Risk

The Athletic Fund maintains its cash and cash equivalents in bank deposit accounts, which, at times, exceeded federally insured limits. The Athletic Fund has not experienced any losses in such accounts, and management believes the Athletic Fund is not exposed to any significant credit risk on cash and cash equivalents.

The following schedule details transactions between the College and the Athletic Fund during the year ended June 30, 2026:

The Athletic Fund reimbursed the College for scholarships awarded. The amount is reported as a part of gifts under nonoperating revenue. \$ 700,000

The Athletic Fund reimbursed the College for certain expenditures that were paid for by the College. \$ 928,793

Component Unit Receivables

The College has receivables totaling \$4,850,610 with component units. The details of the component unit receivables are as follows.

Component Unit Receivables consisted of the following on June 30, 2026:

The Foundation	
Capital projects and operating expenses receivable	\$ 2,816,476
Marine Genomics endowment receivable	<u>1,887,018</u>
Total Foundation receivable	<u>4,703,494</u>
The Athletic Fund	
Capital projects and operating expenses receivable	<u>147,116</u>
Total Athletic Fund receivable	<u>147,116</u>
Total Component Unit Receivables	<u>\$ 4,850,610</u>

NOTE 14 – RISK MANAGEMENT

The College is exposed to various risks of loss and maintains state or commercial insurance coverage for these risks. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. The costs of settled claims have not exceeded this coverage in any of the past five years. The College pays insurance premiums to certain other state agencies and commercial insurers to cover risks arising from normal operations. The insurers promise to pay to, or on behalf of, the insured for covered economic losses sustained during the policy period, in accordance with the insurance policy and benefit program limits.

The State of South Carolina believes it is more economical to manage certain risks internally and set aside assets for claim settlement. Several state funds accumulate assets, and the State itself assumes substantially all risks for the following:

Managed Risks Assumed by the State

- Claims of state employees for unemployment compensation benefits (South Carolina Department of Employment and Workforce),
- Claims of covered employees for workers' compensation benefits for job-related illnesses or injuries (State Accident Fund),
- Claims of covered public employees for health and dental insurance benefits (PEBA), and
- Claims of covered public employees for long-term disability and group life insurance benefits (PEBA).

Employees elect health coverage with the State's self-insured plan administered through PEBA. All the other types of coverage listed above are through the applicable State's self-insured plan or PEBA.

The IRF is a self-insurer and purchases reinsurance to obtain certain services and specialized coverage and to limit losses in certain areas. The IRF rates are determined actuarially. The College and other entities pay premiums to the State's Insurance Reserve Fund (IRF), which issues policies, accumulates assets to cover the risks of loss, and pays claims incurred for covered losses related to the following College assets, activities, and/or events:

Risks of Loss Covered by (IRF) Insurance

- Theft of, damage to, or destruction of assets,
- Natural disasters,
- Real property, its contents, and other equipment,
- Motor vehicles,
- Watercraft, artwork, and equipment (inland marine),
- Torts,
- Business interruptions,
- Data processing; and
- Medical malpractice claims against covered employees.

The College also obtains coverage through commercial insurers for fidelity bond insurance covering employees for losses arising from theft or misappropriation, cyber liability, Directors and Officers Liability, and other specialized coverages, including student professional, ocean marine, and drone liability.

Emergency Preparedness and Management Plan

To ensure the College is prepared to respond to emergencies and crises, the President has established a standing Decisional Authority Team that has developed the College's Emergency Management Plan (Plan). The Plan outlines an emergency response and recovery policy that provides a consistent, coordinated approach to assessing and responding to crises, centered on the best national practices in the National Incident Management System (NIMS) and the Incident Command System (ICS). The Plan also defines and describes actions to be taken by the College community to mitigate, prepare for, respond to, and recover from various human-induced and/or natural emergencies that may affect lives, property, and the institution.

NOTE 15 – OPERATING EXPENSES BY FUNCTION

Operating expenses by functional classification for the year ended June 30, 2026, are summarized as follows:

	Personnel Costs and Benefits	Supplies and Services	Utilities	Scholarships and Fellowships	Depreciation and Amortization	Total
Instruction	\$ 94,388,612	\$ 4,916,377	\$ -	\$ -	\$ -	\$ 99,304,989
Research	3,699,367	5,132,836	-	-	-	8,832,203
Public service	1,090,076	369,885	-	-	-	1,459,961
Academic support	13,303,916	7,014,346	-	-	-	20,318,262
Student services	15,756,692	5,802,954	-	-	-	21,559,646
Institutional support	29,555,263	17,662,076	-	-	-	47,217,339
Operation and maintenance of plant	11,358,287	29,456,060	5,479,738	-	-	46,294,085
Scholarships and fellowships *	-	-	-	14,830,272	-	14,830,272
Auxiliary enterprises	12,734,205	39,118,560	3,783,584	4,658,471	-	60,294,820
Depreciation and amortization	-	-	-	-	34,143,446	34,143,446
Total Operating Expenses	\$181,886,418	\$109,473,094	\$ 9,263,322	\$ 19,488,743	\$ 34,143,446	\$354,255,023

* - Net of discounts and allowances

NOTE 16 – STATE APPROPRIATIONS AND TRANSACTIONS WITH STATE ENTITIES

The College is granted annual appropriations for operating purposes as authorized by the General Assembly of the State of South Carolina. State appropriations are recognized as revenue when received and available. The original appropriation is the College's base budget amount presented in the General Funds column of Section 15 of the 2024-2025 Appropriation Act.

The following schedule reconciles the original appropriation, as enacted by the General Assembly, with State appropriations revenue reported in the financial statements for the fiscal year ended June 30, 2026.

State Appropriations

Noncapital Appropriations

Original appropriations per annual Appropriations Act	\$ 58,630,046
Employee Pay Plan Funds	1,584,378
Lowcountry Graduate Center	<u>785,099</u>

Total State noncapital appropriations recorded as current year revenue	<u>\$ 60,999,523</u>
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Capital Appropriations

South Carolina Education Lottery Fund	\$ 704,188
Capital Reserve Fund	<u>4,000,000</u>

Total State capital appropriations recorded as current year revenue	<u>\$ 4,704,188</u>
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The College received substantial funding from the Commission on Higher Education (CHE) for scholarships on behalf of students, which is accounted for as operating state grants and contracts. Additional amounts received from the CHE are accounted for as both operating and nonoperating revenues, depending on the requirements of deliverables with current or potential future economic value. The College also receives state funds from various other public service projects, which are included in operating state grants and contracts revenue. The following is a summary of amounts received from state agencies for scholarships, sponsored research, and public service projects for the fiscal year ended June 30, 2026.

Other Amounts Received from State Agencies

	<u>Operating Revenue</u>
Received from CHE:	
Hope Scholarships	\$ 824,079
LIFE Scholarships	10,429,833
Palmetto Scholarships	3,384,013
Need Based Grants	4,770,329
SC National Guard Program	174,329
Various other CHE amounts	349,912
Received from Winthrop University	345,269
Received from Various State Agencies	<u>1,492,437</u>
Total	<u>\$ 21,770,201</u>

Services received at no cost from State agencies include maintenance of certain accounting records by the Comptroller General; banking, bond trustee, and investment services from the State Treasurer; legal services from the Attorney General; and grant services from the Office of the Governor. Other services received at no cost from the various offices of the State Department of Administration include pension plan administration, insurance plans administration, audit services, personnel management, assistance in the preparation of the State budget, review and approval of certain budget amendments, procurement services, and other centralized functions.

NOTE 17 – RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS

In prior-period financial statements, the College recognized capital and nonrecurring appropriations as they were drawn down from the State of South Carolina. During the current fiscal year, the State of South Carolina clarified that all appropriations are available upon appropriation by the General Assembly. As a result, the College recorded a \$40,302,172 adjustment to the beginning-of-year net position.



Studying in Addleston Library

COLLEGE OF CHARLESTON ANNUAL COMPREHENSIVE FINANCIAL REPORT



Planting native plants at 9 Glebe Street

REQUIRED SUPPLEMENTARY INFORMATION

COLLEGE OF CHARLESTON
SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEARS ENDED JUNE 30,

(Last 10 Fiscal Years)

	SCRS									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
College's proportion of the net pension liability	0.73%	0.73%	0.71%	0.70%	0.72%	0.76%	0.77%	0.75%	0.74%	0.76%
College's proportionate share of the net pension liability	<u>\$ 157,003,751</u>	<u>\$ 171,288,216</u>	<u>\$ 171,203,300</u>	<u>\$ 170,638,785</u>	<u>\$ 155,785,943</u>	<u>\$ 195,223,802</u>	<u>\$ 176,324,659</u>	<u>\$ 168,069,526</u>	<u>\$ 166,290,549</u>	<u>\$ 162,045,025</u>
College's covered payroll for the measurement period	<u>\$ 124,606,095</u>	<u>\$ 117,159,121</u>	<u>\$ 105,778,593</u>	<u>\$ 100,872,225</u>	<u>\$ 99,303,325</u>	<u>\$ 103,772,179</u>	<u>\$ 100,915,553</u>	<u>\$ 97,948,936</u>	<u>\$ 97,777,837</u>	<u>\$ 96,875,236</u>
College's proportionate share of the net pension liability as a percentage of its covered payroll	126.00%	146.20%	161.85%	169.16%	156.88%	188.13%	174.72%	171.59%	170.07%	167.27%
Plan fiduciary net position as a percentage of the total pension liability	66.21%	61.79%	58.65%	57.06%	60.75%	50.71%	54.40%	54.10%	53.34%	52.91%
	PORS									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
College's proportion of the net pension liability	0.11%	0.10%	0.10%	0.10%	0.12%	0.13%	0.13%	0.13%	0.14%	0.16%
College's proportionate share of the net pension liability	<u>\$ 2,987,478</u>	<u>\$ 2,988,708</u>	<u>\$ 2,909,847</u>	<u>\$ 3,089,760</u>	<u>\$ 3,113,825</u>	<u>\$ 4,273,840</u>	<u>\$ 3,659,100</u>	<u>\$ 3,621,759</u>	<u>\$ 3,771,471</u>	<u>\$ 3,959,082</u>
College's covered payroll for the measurement period	<u>\$ 2,268,772</u>	<u>\$ 1,935,762</u>	<u>\$ 1,674,825</u>	<u>\$ 1,630,502</u>	<u>\$ 1,819,814</u>	<u>\$ 1,946,879</u>	<u>\$ 1,853,985</u>	<u>\$ 1,752,590</u>	<u>\$ 1,897,447</u>	<u>\$ 1,989,891</u>
College's proportionate share of the net pension liability as a percentage of its covered payroll	131.68%	154.39%	173.74%	189.50%	171.11%	219.52%	197.36%	206.65%	198.77%	198.96%
Plan fiduciary net position as a percentage of the total pension liability	74.53%	70.53%	67.79%	66.45%	70.37%	58.79%	62.69%	61.73%	60.94%	60.44%
	TOTAL									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
College's Total proportionate share of the net pension liability	<u>\$ 159,991,229</u>	<u>\$ 174,276,924</u>	<u>\$ 174,113,147</u>	<u>\$ 173,728,545</u>	<u>\$ 158,899,768</u>	<u>\$ 199,497,642</u>	<u>\$ 179,983,759</u>	<u>\$ 171,691,285</u>	<u>\$ 170,062,020</u>	<u>\$ 166,004,107</u>

COLLEGE OF CHARLESTON**SCHEDULE OF THE COLLEGE'S PENSION CONTRIBUTIONS****FOR THE TEN YEARS ENDED JUNE 30,**

(Last 10 Fiscal Years)

	SCRS									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	\$ 20,518,553	\$ 19,824,587	\$ 18,629,808	\$ 16,681,834	\$ 12,867,850	\$ 11,700,269	\$ 13,261,706	\$ 11,874,257	\$ 10,534,806	\$ 8,611,733
Contributions in relation to the contractually required contribution	20,518,553	19,824,587	18,629,808	16,681,834	12,867,850	11,700,269	13,261,706	11,874,257	10,534,806	8,611,733
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered payroll	<u>\$ 129,175,845</u>	<u>\$ 124,606,095</u>	<u>\$ 117,159,121</u>	<u>\$ 105,778,593</u>	<u>\$ 100,872,225</u>	<u>\$ 99,303,325</u>	<u>\$ 103,772,179</u>	<u>\$ 100,915,553</u>	<u>\$ 97,948,936</u>	<u>\$ 97,777,837</u>
Contributions as a percentage of covered payroll	15.88%	15.91%	15.90%	15.77%	12.76%	11.78%	12.78%	11.77%	10.76%	8.81%
	PORS									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	\$ 511,415	\$ 481,888	\$ 411,141	\$ 359,443	\$ 297,404	\$ 311,476	\$ 355,111	\$ 319,627	\$ 284,620	\$ 270,197
Contributions in relation to the contractually required contribution	511,415	481,888	411,141	359,443	297,404	311,476	355,111	319,627	284,620	270,197
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered payroll	<u>\$ 2,407,790</u>	<u>\$ 2,268,772</u>	<u>\$ 1,935,762</u>	<u>\$ 1,674,825</u>	<u>\$ 1,630,502</u>	<u>\$ 1,819,814</u>	<u>\$ 1,946,879</u>	<u>\$ 1,853,985</u>	<u>\$ 1,752,590</u>	<u>\$ 1,897,447</u>
Contributions as a percentage of covered payroll	21.24%	21.24%	21.24%	21.46%	18.24%	17.12%	18.24%	17.24%	16.24%	14.24%

COLLEGE OF CHARLESTON

SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

FOR THE YEARS ENDED JUNE 30,

(Last 10 Fiscal Years)

	SCRHITF									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
College's proportion of the net OPEB liability	1.03%	1.03%	1.02%	1.04%	1.08%	1.15%	1.18%	1.16%	1.18%	1.18%
College's proportionate share of the net OPEB liability	<u>\$ 155,551,386</u>	<u>\$ 166,364,746</u>	<u>\$ 134,182,628</u>	<u>\$ 158,822,727</u>	<u>\$ 225,695,587</u>	<u>\$ 207,077,349</u>	<u>\$ 177,707,098</u>	<u>\$ 163,890,467</u>	<u>\$ 160,088,993</u>	<u>\$ 171,007,498</u>
College's covered-employee payroll for the measurement period	<u>\$ 116,690,765</u>	<u>\$ 108,988,370</u>	<u>\$ 102,160,013</u>	<u>\$ 94,337,714</u>	<u>\$ 84,488,401</u>	<u>\$ 89,798,037</u>	<u>\$ 84,770,981</u>	<u>\$ 82,358,598</u>	<u>\$ 82,351,801</u>	<u>\$ 82,059,970</u>
College's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll**	133.30%	152.64%	131.35%	168.36%	267.13%	230.60%	209.63%	199.00%	194.40%	208.39%
Plan fiduciary net position as a percentage of the total OPEB liability	11.33%	9.91%	11.24%	9.64%	7.48%	8.39%	8.44%	7.91%	7.60%	7.07%
	SCLTDITF									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
College's proportion of the net OPEB liability	0.65%	0.64%	0.64%	0.67%	0.69%	0.72%	0.74%	0.73%	0.75%	0.75%
College's proportionate share of the net OPEB liability	<u>\$ 111,983</u>	<u>\$ 110,818</u>	<u>\$ 98,393</u>	<u>\$ 77,249</u>	<u>\$ 21,913</u>	<u>\$ 2,190</u>	<u>\$ 14,555</u>	<u>\$ 22,432</u>	<u>\$ 13,537</u>	<u>\$ 5,183</u>
Plan fiduciary net position as a percentage of the total OPEB liability	65.16%	64.83%	68.01%	75.04%	92.84%	99.29%	95.17%	92.20%	95.29%	98.15%
	TOTAL									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
College's Total proportionate share of the net OPEB liability	<u>\$ 155,663,369</u>	<u>\$ 166,475,564</u>	<u>\$ 134,281,021</u>	<u>\$ 158,899,976</u>	<u>\$ 225,717,500</u>	<u>\$ 207,079,539</u>	<u>\$ 177,721,653</u>	<u>\$ 163,912,899</u>	<u>\$ 160,102,530</u>	<u>\$ 171,012,681</u>

*This schedule is intended to present information for 10 years. Years for which information is available will be presented here until a full 10-year trend is compiled.

**Covered-employee payroll is the payroll of employees that are provided with OPEB through the OPEB plan. Contributions to the OPEB plan are not based on a measure of pay.

COLLEGE OF CHARLESTON

SCHEDULE OF THE COLLEGE'S OPEB CONTRIBUTIONS

FOR THE TEN YEARS ENDED JUNE 30,

(Last 10 Fiscal Years)

	SCRHITF									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	\$ 9,338,852	\$ 9,172,774	\$ 7,529,055	\$ 6,676,382	\$ 6,371,291	\$ 6,204,881	\$ 5,890,260	\$ 6,199,406	\$ 5,356,324	\$ 4,864,791
Contributions in relation to the contractually required contribution	9,338,852	9,172,774	7,529,055	6,676,382	6,371,291	6,204,881	5,890,260	6,199,406	5,356,324	4,864,791
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College's covered-employee payroll**	\$ 120,695,043	\$ 116,690,765	\$ 108,988,370	\$ 102,160,013	\$ 94,337,714	\$ 84,488,401	\$ 89,798,037	\$ 84,770,981	\$ 82,358,598	\$ 82,351,801
Contributions as a percentage of covered-employee payroll**	7.74%	7.86%	6.91%	6.54%	6.75%	7.34%	6.56%	7.31%	6.50%	5.91%

	SCLTDITF									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	\$ 51,919	\$ 52,077	\$ 46,638	\$ 49,033	\$ 50,338	\$ 51,958	\$ 45,450	\$ 54,647	\$ 53,404	\$ 54,048
Contributions in relation to the contractually required contribution	51,919	52,077	46,638	49,033	50,338	51,958	45,450	54,647	53,404	54,048
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

*Covered-employee payroll is the payroll of employees that are provided with OPEB through the OPEB plan. Contributions to the OPEB plan are not based on a measure of pay.

COLLEGE OF CHARLESTON

ANNUAL COMPREHENSIVE FINANCIAL REPORT



Students walk towards the archway gate in the Cistern Yard



Painting Class in the Cistern Yard

STATISTICAL SECTION

COLLEGE OF CHARLESTON
STATISTICAL SECTION
FISCAL YEAR ENDED JUNE 30, 2026

This section of the College of Charleston's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information conveys about the College's overall financial health.

CONTENTS	Page
Financial Trends These schedules contain trend information to help the reader understand how the College's financial performance has changed over time.	102-105
Revenue Capacity This schedule contains information to help the reader assess the factors affecting the College's ability to generate tuition income.	106
Debt Capacity This schedule presents information to help the reader assess the affordability of the College's current levels of outstanding debt and its ability to issue additional debt in the future.	107
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the College's financial activities take place and to help make comparisons over time and with other colleges.	108-114
Operating Information These schedules contain information about the College's operations and resources to help the reader understand how the College's financial information relates to the services it provides.	115-118

Sources: Unless otherwise noted, the information in these schedules is derived from the College of Charleston Annual Comprehensive Financial Reports for the relevant fiscal years.

SCHEDULE OF OPERATING AND NONOPERATING REVENUES BY SOURCE

For the Fiscal Year Ended June 30,																				
	(amounts expressed in thousands)										(percent of total revenues)									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Operating Revenues:																				
Tuition and related fees (net of scholarship allowance)	\$ 210,344	\$ 211,545	\$ 204,640	\$ 180,066	\$ 169,037	\$ 149,803	\$ 152,606	\$ 150,548	\$ 145,609	\$ 146,297	52.83%	54.22%	54.45%	54.53%	52.40%	54.07%	53.81%	53.55%	54.01%	53.65%
Federal grants and contracts	21,590	7,850	7,939	7,065	6,378	5,933	4,760	6,350	6,304	7,929	5.42%	2.01%	2.11%	2.14%	1.98%	2.14%	1.68%	2.26%	2.34%	2.91%
State grants and contracts	21,770	21,871	22,612	21,269	21,930	21,701	21,641	22,536	21,391	20,665	5.47%	5.61%	6.02%	6.44%	6.80%	7.83%	7.63%	8.02%	7.93%	7.58%
Local grants and contracts	95	46	117	399	213	45	197	239	208	183	0.02%	0.01%	0.03%	0.12%	0.07%	0.02%	0.07%	0.09%	0.08%	0.07%
Nongovernmental grants and contracts	406	402	661	704	717	572	735	686	599	681	0.10%	0.10%	0.18%	0.21%	0.22%	0.21%	0.26%	0.24%	0.22%	0.25%
Sales and services of educational and other activities	2,276	2,344	2,310	2,057	2,158	1,951	2,019	2,159	2,047	2,038	0.57%	0.60%	0.61%	0.62%	0.67%	0.70%	0.71%	0.77%	0.76%	0.75%
Sales and services of auxiliary enterprises (net of scholarship allowance)	62,683	61,046	59,961	48,786	49,664	34,079	42,846	51,249	50,068	52,123	15.74%	15.65%	15.96%	14.78%	15.40%	12.30%	15.11%	18.23%	18.57%	19.11%
Other sources	1,246	1,247	3,012	5,066	973	328	860	805	1,056	689	0.31%	0.32%	0.80%	1.53%	0.30%	0.12%	0.29%	0.29%	0.39%	0.23%
Total Operating Revenues	320,410	306,351	301,252	265,412	251,070	214,412	225,664	234,572	227,282	230,605	80.46%	78.52%	80.16%	80.37%	77.84%	77.39%	79.56%	83.45%	84.30%	84.55%
Noncapital Subsidies:																				
State appropriations	61,000										15.32%									
Gifts	6,017										1.51%									
State grants and contracts	476										0.12%									
Nongovernmental grants and contracts	1,069										0.27%									
Total Noncapital Subsidies	68,562										17.22%									
Other Nonoperating Revenues:																				
Capital appropriations	4,704										1.18%									
Capital gifts	1,072										0.27%									
Interest and investment income	1,424										0.36%									
Auxiliary enterprises interest and investment income	1,974										0.50%									
Lease Revenue	30										0.01%									
Total Other Nonoperating Revenues	9,204										2.32%									
Nonoperating Revenues:																				
State appropriations		56,602	51,073	41,295	34,601	30,821	30,965	27,156	25,664	26,209	0.00%	14.51%	13.59%	12.51%	10.73%	11.12%	10.92%	9.66%	9.52%	9.61%
Federal grants and contracts		15,306	11,907	12,474	36,479	27,009	17,879	11,765	11,760	10,902	0.00%	3.92%	3.17%	3.78%	11.31%	9.75%	6.30%	4.19%	4.36%	4.00%
Gifts		5,924	6,592	6,491	5,247	4,383	4,874	4,014	4,094	4,054	0.00%	1.52%	1.75%	1.97%	1.63%	1.58%	1.72%	1.43%	1.52%	1.49%
Interest and investment income		5,220	4,575	4,326	(4,112)	88	3,364	3,030	614	724	0.00%	1.34%	1.22%	1.31%	-1.27%	0.03%	1.19%	1.08%	0.23%	0.27%
Other nonoperating revenue		728	414	187	(688)	336	875	579	181	218	0.00%	0.19%	0.11%	0.06%	-0.24%	0.13%	0.31%	0.19%	0.07%	0.08%
Total Nonoperating Revenues	-	83,780	74,561	64,773	71,527	62,637	57,957	46,544	42,313	42,107	0.00%	21.48%	19.84%	19.63%	22.16%	22.61%	20.44%	16.55%	15.70%	15.45%
Total Revenues	\$ 398,176	\$ 390,131	\$ 375,813	\$ 330,185	\$ 322,597	\$ 277,049	\$ 283,621	\$ 281,116	\$ 269,595	\$ 272,712	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: College of Charleston Annual Comprehensive Financial Reports.

SCHEDULE OF OPERATING AND OTHER NONOPERATING EXPENSES BY FUNCTION

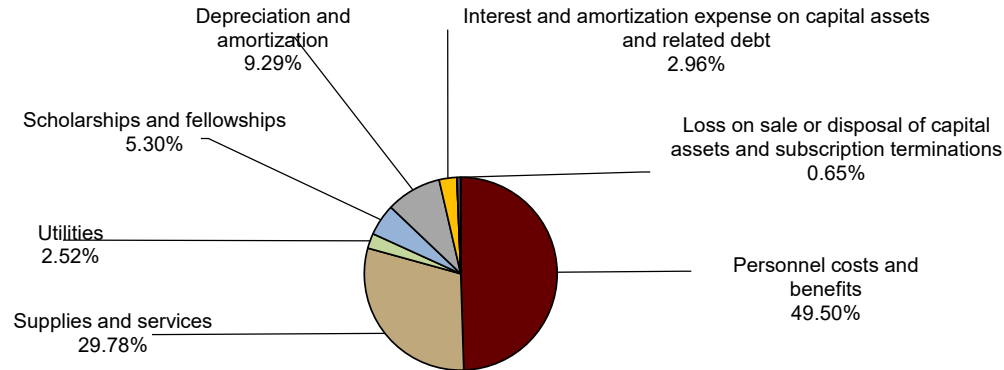
For the Fiscal Year Ended June 30,																				
	(amounts expressed in thousands)										(percent of total expenses)									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Operating Expenses:																				
Instruction	\$ 99,305	\$ 98,739	\$ 90,298	\$ 85,202	\$ 85,870	\$ 89,086	\$ 92,041	\$ 89,467	\$ 87,933	\$ 85,556	27.02%	26.61%	27.82%	29.92%	30.14%	31.78%	32.23%	31.82%	32.88%	32.48%
Research	8,832	8,008	8,227	6,975	6,755	5,620	5,349	6,795	6,325	7,938	2.40%	2.16%	2.53%	2.45%	2.37%	2.00%	1.87%	2.42%	2.37%	3.01%
Public service	1,460	1,715	1,961	1,465	1,430	1,389	1,531	1,617	1,745	1,632	0.40%	0.46%	0.60%	0.51%	0.50%	0.50%	0.54%	0.58%	0.65%	0.62%
Academic support	20,318	19,411	17,543	16,364	16,740	17,536	17,504	16,978	15,684	15,190	5.53%	5.23%	5.40%	5.75%	5.88%	6.25%	6.13%	6.04%	5.87%	5.77%
Student services	21,560	20,820	18,477	14,823	15,147	15,320	16,459	15,603	15,230	13,845	5.87%	5.61%	5.69%	5.20%	5.32%	5.46%	5.76%	5.55%	5.70%	5.26%
Institutional support	47,217	47,411	40,637	41,091	37,477	38,050	33,809	31,654	31,793	31,334	12.85%	12.78%	12.52%	14.43%	13.16%	13.57%	11.84%	11.26%	11.89%	11.90%
Operation and maintenance of plant	46,294	54,239	39,718	24,120	24,054	32,280	34,001	34,652	29,649	26,792	12.60%	14.61%	12.25%	8.47%	8.45%	11.51%	11.91%	12.32%	11.09%	10.17%
Scholarships and fellowships (net of discounts and allowances)	14,830	14,477	12,136	10,202	22,300	16,930	15,111	10,567	10,858	10,746	4.03%	3.90%	3.74%	3.58%	7.83%	6.04%	5.29%	3.76%	4.06%	4.08%
Auxiliary enterprises	60,295	59,567	55,661	51,183	45,134	39,864	44,962	48,929	46,396	44,286	16.40%	16.05%	17.16%	17.97%	15.84%	14.22%	15.74%	17.40%	17.35%	16.81%
Depreciation and amortization	34,144	36,438	31,390	24,679	21,867	17,361	17,622	17,328	15,778	15,658	9.29%	9.82%	9.67%	8.67%	7.68%	6.19%	6.17%	6.16%	5.90%	5.94%
Total Operating Expenses	354,255	360,825	316,048	276,104	276,774	273,436	278,389	273,590	261,391	252,977	96.39%	97.23%	97.38%	96.95%	97.17%	97.52%	97.48%	97.31%	97.76%	96.04%
Other Nonoperating Expenses:																				
Interest and amortization expense on capital assets and related debt	10,875	10,056	8,443	8,298	8,050	6,859	7,147	7,507	5,883	10,423	2.96%	2.71%	2.60%	2.91%	2.83%	2.46%	2.51%	2.66%	2.20%	3.96%
Loss on sale or disposal of capital assets and subscription terminations	2,415	240	82	396	1	57	34	108	135	-	0.65%	0.06%	0.02%	0.14%	0.00%	0.02%	0.01%	0.03%	0.04%	0.00%
Total Other Nonoperating Expenses	13,290	10,296	8,525	8,694	8,051	6,916	7,181	7,615	6,018	10,423	3.61%	2.77%	2.62%	3.05%	2.83%	2.48%	2.52%	2.69%	2.24%	3.96%
Total Expenses	\$ 367,545	\$ 371,121	\$ 324,573	\$ 284,798	\$ 284,825	\$ 280,352	\$ 285,570	\$ 281,205	\$ 267,409	\$ 263,400	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: College of Charleston Annual Comprehensive Financial Reports.

SCHEDULE OF OPERATING AND NONOPERATING EXPENSES BY USE

For the Fiscal Year Ended June 30,																				
(amounts expressed in thousands)											(percent of total expenses)									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Operating Expenses:																				
Personnel costs and benefits	\$ 181,886	\$ 183,406	\$ 163,085	\$ 156,647	\$ 156,367	\$ 166,301	\$ 167,037	\$ 157,364	\$ 154,588	\$ 148,112	49.50%	49.42%	50.25%	55.00%	54.90%	59.32%	58.49%	55.98%	57.81%	56.24%
Supplies and services	109,473	113,453	95,642	71,871	63,651	61,131	66,095	75,549	66,156	64,546	29.78%	30.57%	29.47%	25.24%	22.34%	21.81%	23.14%	26.87%	24.75%	24.50%
Utilities	9,263	8,285	7,941	7,467	7,455	6,793	7,269	7,572	9,068	8,802	2.52%	2.23%	2.45%	2.62%	2.62%	2.42%	2.55%	2.69%	3.39%	3.34%
Scholarships and fellowships	19,489	19,243	17,990	15,440	27,433	21,850	20,366	15,777	15,801	15,859	5.30%	5.19%	5.54%	5.42%	9.63%	7.79%	7.13%	5.61%	5.91%	6.02%
Depreciation and amortization	34,144	36,438	31,390	24,679	21,867	17,361	17,622	17,328	15,778	15,658	9.29%	9.82%	9.67%	8.67%	7.68%	6.19%	6.17%	6.16%	5.90%	5.94%
Total Operating Expenses	354,255	360,825	316,048	276,104	276,773	273,436	278,389	273,590	261,391	252,977	96.39%	97.23%	97.38%	96.95%	97.17%	97.53%	97.48%	97.31%	97.76%	96.04%
Other Nonoperating Expenses:																				
Interest and amortization expense on capital assets and related debt	10,875	10,056	8,443	8,298	8,050	6,859	7,147	7,507	5,822	10,423	2.96%	2.71%	2.60%	2.91%	2.83%	2.45%	2.51%	2.66%	2.18%	3.96%
Investment loss	-	-	-	-	-	-	-	-	61	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%	0.00%
Loss on sale or disposal of capital assets and subscription terminations	2,415	240	82	396	1	57	34	108	135	-	0.65%	0.06%	0.02%	0.14%	0.00%	0.02%	0.01%	0.03%	0.04%	0.00%
Total Other Nonoperating Expenses	13,290	10,296	8,525	8,694	8,051	6,916	7,181	7,615	6,018	10,423	3.61%	2.77%	2.62%	3.05%	2.83%	2.47%	2.52%	2.69%	2.24%	3.96%
Total Expenses	\$ 367,545	\$ 371,121	\$ 324,573	\$ 284,798	\$ 284,824	\$ 280,352	\$ 285,570	\$ 281,205	\$ 267,409	\$ 263,400	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Expenses by Use - Fiscal year 2026



Source: College of Charleston Annual Comprehensive Financial Reports.

SCHEDULE OF NET POSITION AND CHANGES IN NET POSITION

	For the Fiscal Year Ended June 30,									
	(amounts expressed in thousands)									
	2025	2024	2023	2022						
	2026	(restated)	(restated)	(restated)	(restated)	2021	2020	2019	2018	2017
Total revenues (from schedule of operating and nonoperating revenues by source)	\$ 398,176	\$ 390,131	\$ 375,813	\$ 330,185	\$ 322,597	\$ 277,049	\$ 283,621	\$ 281,116	\$ 269,595	\$ 272,712
Total expenses (from schedule of operating and nonoperating expenses by use and function)	(367,545)	(371,121)	(324,573)	(284,798)	(284,824)	(280,352)	(285,570)	(281,205)	(267,409)	(263,400)
Income (Loss) before other revenues	30,631	19,010	51,240	45,387	37,773	(3,303)	(1,949)	(89)	2,186	9,312
Capital gifts	-	-	-	-	-	-	-	-	1,500	658
Capital appropriations	-	25,403	32,684	16,006	6,011	757	774	607	555	643
Total changes in Net position	30,631	44,413	83,924	61,393	43,784	(2,546)	(1,175)	518	4,241	10,613
Prior period adjustment	-	-	-	-	-	-	-	-	(166,094)	-
Net Position, beginning	251,026	206,613	122,689	61,296	17,512	20,058	21,233	20,715	182,568	171,955
Net Position, ending	\$ 281,657	\$ 251,026	\$ 206,613	\$ 122,689	\$ 61,296	\$ 17,512	\$ 20,058	\$ 21,233	\$ 20,715	\$ 182,568
Net investment in capital assets	\$ 257,329	\$ 229,853	\$ 224,420	\$ 220,908	\$ 190,960	\$ 195,063	\$ 198,753	\$ 199,807	\$ 200,554	\$ 195,634
Restricted - nonexpendable	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Restricted - expendable	164,093	196,503	170,644	121,263	89,894	71,510	73,090	68,826	66,866	67,156
Unrestricted	(140,865)	(176,430)	(189,551)	(220,582)	(220,658)	(250,161)	(252,885)	(248,500)	(247,805)	(81,322)
Total Net Position	\$ 281,657	\$ 251,026	\$ 206,613	\$ 122,689	\$ 61,296	\$ 17,512	\$ 20,058	\$ 21,233	\$ 20,715	\$ 182,568

Source: College of Charleston Annual Comprehensive Financial Reports.

SCHEDULE OF RATIOS OF OUTSTANDING DEBT

For the Fiscal Year Ended June 30,

(dollars expressed in thousands except for outstanding debt per student)

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Revenue bonds	\$ 262,867	\$ 274,336	\$ 205,920	\$ 216,457	\$ 225,689	\$ 188,679	\$ 195,357	\$ 203,365	\$ 211,082	\$ 219,169
State institution bonds	-	-	-	-	-	-	-	-	2,501	2,931
Notes payable	17,396	18,785	20,141	21,458	21,458	-	184	366	544	-
Lease obligations	27,923	18,932	26,731	25,332	14,733	-	-	-	-	-
Subscription obligations	6,971	7,473	3,458	1,179	-	-	-	-	-	-
Total Outstanding Debt	\$ 315,157	\$ 319,526	\$ 256,250	\$ 264,426	\$ 261,880	\$ 188,679	\$ 195,541	\$ 203,731	\$ 214,127	\$ 222,100
Full time equivalent students (fiscal year)	10,742	10,948	10,672	9,862	9,986	9,402	9,575	9,855	9,824	10,257
Outstanding debt per student	\$ 29,339	\$ 29,186	\$ 24,011	\$ 26,813	\$ 26,225	\$ 20,068	\$ 20,422	\$ 20,673	\$ 21,796	\$ 21,654

Note: Outstanding debt per student calculated using full time equivalent enrollment data for each of the last ten years.

Source:

College of Charleston Annual Comprehensive Financial Reports.

College of Charleston Office of Institutional Research.

TUITION AND FEES

Last Ten Academic Years

Academic Year Beginning in Fall	Undergraduate (1)		Undergraduate (2)	
	Resident	Nonresident	Resident	Nonresident
2025	\$ 12,518	\$ 38,384	\$ 522	\$ 1,599
2024	12,518	37,836	522	1,577
2023	12,518	36,398	522	1,517
2022	12,518	35,338	522	1,473
2021	12,518	33,978	522	1,416
2020	12,518	32,848	522	1,369
2019	12,518	32,848	522	1,369
2018	12,418	31,600	517	1,317
2017	11,998	30,386	500	1,266
2016	11,386	29,544	474	1,231

		Graduate (1)		Graduate (2)	
		Resident	Nonresident	Resident	Nonresident
2025	Tier 1	\$ 15,840	\$ 15,840	\$ 660	\$ 660
	Tier 2	15,840	20,952	660	873
2024	Tier 1	15,840	15,840	660	660
	Tier 2	15,840	20,952	660	873
2023		13,770	40,038	574	1,668
2022		13,770	38,872	574	1,620
2021		13,770	37,376	574	1,557
2020		13,770	36,132	574	1,506
2019		13,770	36,132	574	1,506
2018		13,660	34,760	569	1,448
2017		13,198	33,424	550	1,393
2016		12,524	32,498	522	1,354

Notes:

- (1) Full-time fees are assessed for 12 or more credit hours each semester.
- (2) Part-time fees are assessed per credit hour up to 12 hours in a semester.
- Tier 1 programs are online programs.
- Tier 2 programs are hybrid programs.

Source: College of Charleston Office of Institutional Research.

SCHEDULE OF BOND COVERAGE

Last Ten Fiscal Years

(amounts expressed in thousands)

Fiscal Year Ended June 30,	Defined Net Revenue	Total Revenue	Debt Service Payment Requirements			Coverage Ratio
	Available for Debt Service	Available for Debt Service	Principal	Interest	Total	
Revenue Bonds						
2026	\$ 34,264	\$ 40,449	\$ 10,600	\$ 9,913	\$ 20,513	1.97
2025	31,063	37,361	10,160	7,499	17,659	2.12
2024	32,506	38,640	9,715	7,343	17,058	2.27
2023	27,040	32,821	8,410	7,716	16,126	2.04
2022	41,139	46,916	8,055	6,818	14,873	3.15
2021	29,564	37,601	7,840	7,334	15,174	2.48
2020	21,455	29,661	7,545	7,640	15,185	1.95
2019	26,725	34,594	7,255	7,925	15,180	2.28
2018	24,547	31,796	7,625	8,216	15,841	2.01
2017	27,718	34,448	7,450	8,994	16,444	2.09
State Institutional Bonds						
2026	\$ -	\$ -	\$ -	\$ -	\$ -	-
2025	-	-	-	-	-	-
2024	-	-	-	-	-	-
2023	-	-	-	-	-	-
2022	-	-	-	-	-	-
2021	-	-	-	-	-	-
2020	-	-	-	-	-	-
2019	A 652	652	450	100	550	1.19
2018	655	655	430	115	545	1.20
2017	684	684	415	130	545	1.26

A - State Institutional Bonds were retired in fiscal year 2019.

Source: College of Charleston Controller's Office.

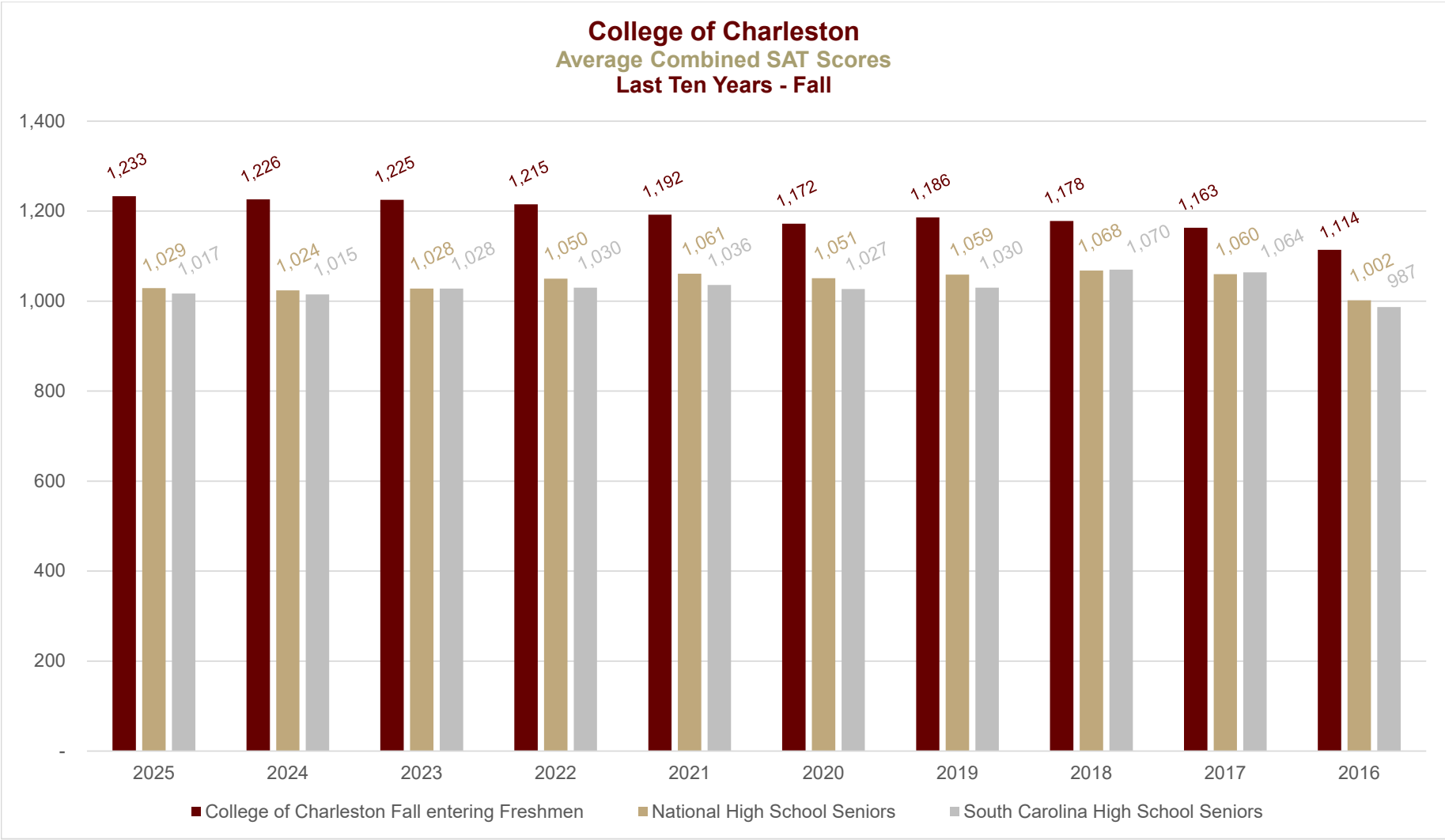
ADMISSIONS, ENROLLMENT, AND DEGREE STATISTICS

Last Ten Years - Fall

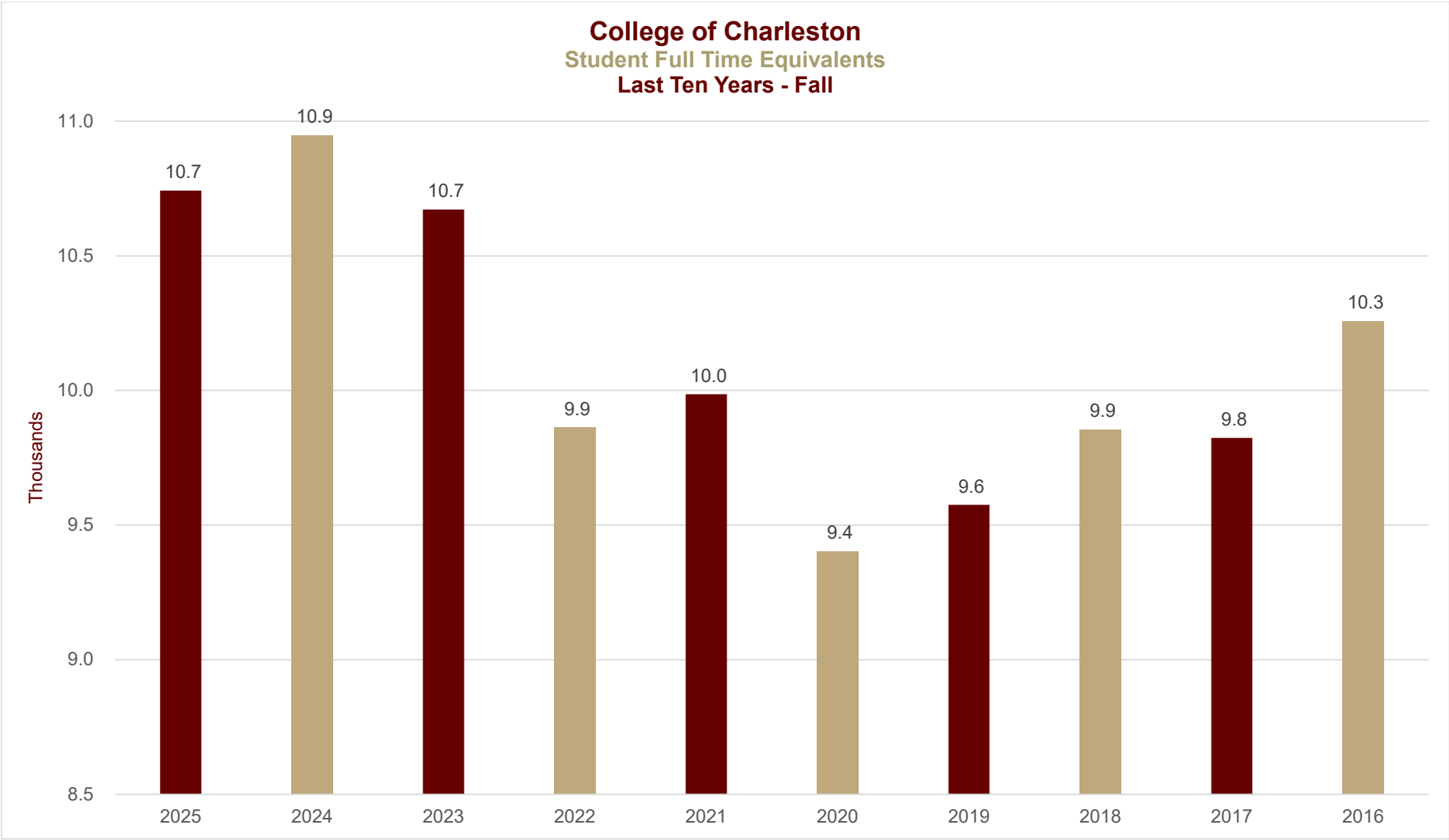
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Admissions - Freshman										
Applications	32,326	31,680	26,683	22,020	20,484	15,214	11,783	11,675	11,900	10,828
Applications accepted	23,597	19,016	19,212	16,666	15,590	11,307	9,230	9,254	9,574	9,110
Accepted as a percentage of applications	73.0%	60.0%	72.0%	75.7%	76.1%	74.3%	78.3%	79.3%	80.5%	84.1%
Students enrolled	2,313	2,265	2,637	2,210	2,473	2,052	2,051	2,199	1,840	2,349
Enrolled as a percentage of accepted	9.8%	11.9%	13.7%	13.3%	15.9%	18.1%	22.2%	23.8%	19.2%	25.8%
SAT scores - total*	1,233	1,226	1,225	1,215	1,192	1,172	1,186	1,178	1,163	1,114
Verbal*	639	629	627	621	611	599	605	600	596	561
Math*	594	597	598	594	581	573	581	578	567	553
South Carolina average SAT score - total	1,017	1,015	1,028	1,030	1,036	1,027	1,030	1,070	1,064	987
U.S. average SAT score - total	1,029	1,024	1,028	1,050	1,061	1,051	1,059	1,068	1,060	1,002
Enrollment										
Undergraduate and graduate FTE	10,742	10,948	10,672	9,862	9,986	9,402	9,575	9,855	9,824	10,257
Undergraduate and graduate headcount	11,726	11,926	11,729	10,885	10,941	10,384	10,545	10,783	10,863	11,294
Percentage of Men	31.8%	31.6%	31.6%	32.1%	32.6%	33.5%	34.8%	34.8%	35.7%	35.6%
Percentage of Women	68.2%	68.4%	68.4%	67.9%	67.4%	66.5%	65.2%	65.2%	64.3%	64.4%
Percentage of African American	6.2%	5.9%	6.0%	6.0%	6.5%	7.4%	7.7%	7.9%	8.1%	8.1%
Percentage of White	77.0%	78.3%	78.1%	78.4%	78.7%	77.3%	77.4%	77.3%	77.3%	78.7%
Percentage of Other	16.8%	15.8%	15.9%	15.5%	14.8%	15.3%	15.0%	14.8%	14.6%	13.2%
Degrees Earned										
Undergraduate	2,561	2,188	2,136	2,143	2,143	2,357	2,399	2,380	2,304	2,613
Graduate	222	247	255	267	274	192	238	246	270	244

Source: College of Charleston Office of Institutional Research.

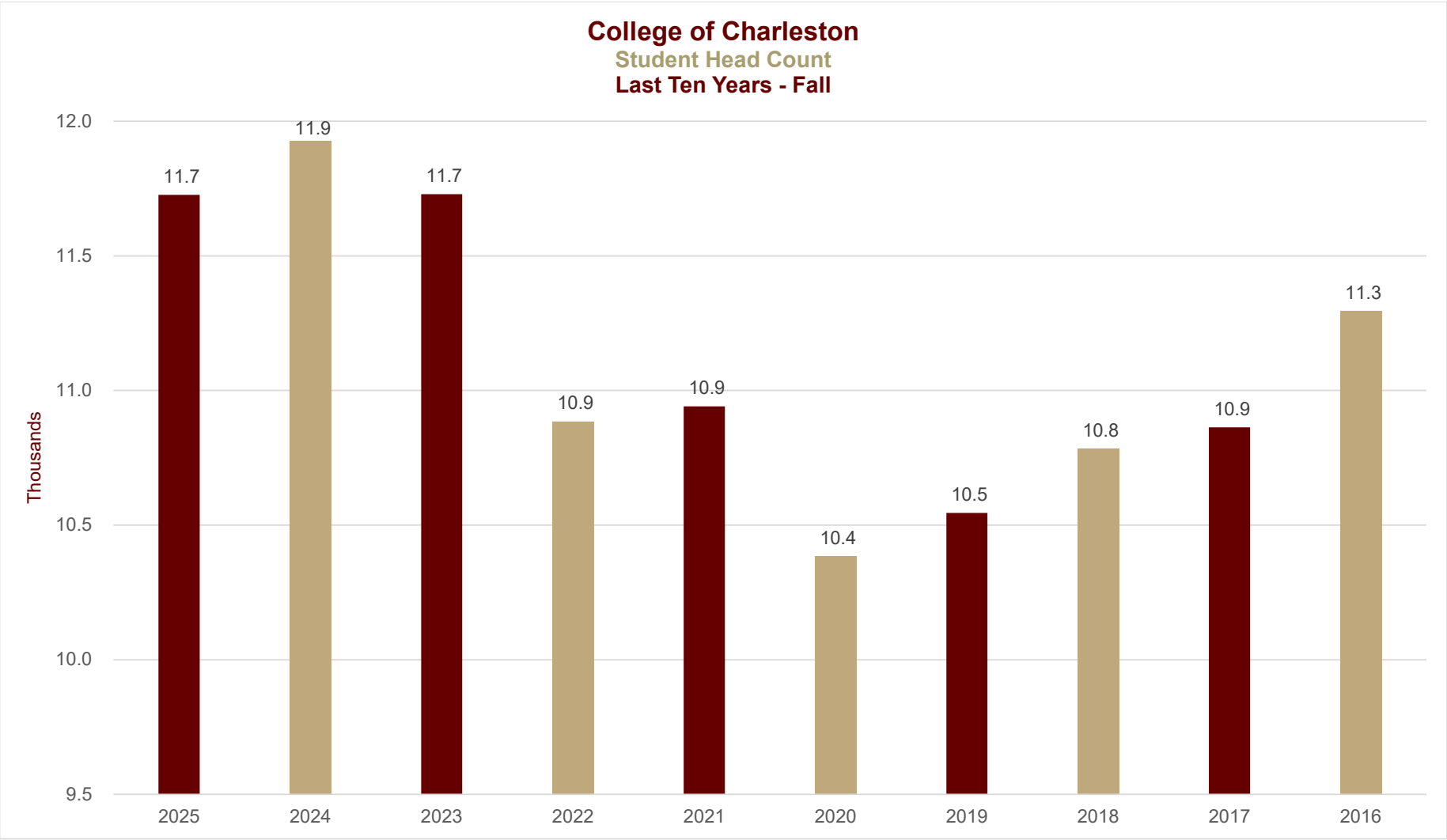
* The College Board made scoring changes to the SAT in March 2016. Per IPEDS reporting requirements, averages reported for the Fall 2016 and earlier classes are based on an older SAT scale. The averages reported beginning Fall 2017 are based on the new scale. Comparisons of SAT data between earlier years and Fall 2017 are not valid.



Source: College of Charleston Office of Institutional Research.



Source: College of Charleston Office of Institutional Research.



Source: College of Charleston Office of Institutional Research.

DEMOGRAPHIC STATISTICS

State of South Carolina

Year	Personal Income (in thousands) as of June 30 (a)	Population as of July 1 (a)	Per Capita Income (a)	Average Annual Unemployment Rate (b)
2025	\$ 351,926,000	5,570,274	\$ 63,179	4.4%
2024	328,701,700	5,478,831	59,995	3.5%
2023	301,581,100	5,373,555	56,123	3.5%
2022	281,668,100	5,282,634	53,320	3.3%
2021	270,299,200	5,190,705	52,074	4.0%
2020	247,867,336	5,218,040	47,502	6.2%
2019	233,308,826	5,148,714	45,314	2.8%
2018	217,275,251	5,084,127	42,736	3.4%
2017	203,087,627	5,024,369	40,421	4.3%
2016	198,762,651	4,987,575	39,852	4.8%

Source:

(a) U.S. Bureau of Economic Analysis

(b) U.S. Bureau of Labor Statistics

TEN LARGEST EMPLOYERS

State of South Carolina

Latest Completed Calendar Year and Nine Years Prior

(Listed alphabetically)

2025	2016
BMW Manufacturing Corp.	BI-LO, LLC.
Department of Defense	Department of Defense
Food Lion LLC.	Greenville Health System
Medical University of SC Hospital Authority	Michelin North America, Inc.
Michelin North America, Inc.	Palmetto Health
Prisma Health Upstate	Publix Super Markets, Inc.
Publix Super Markets, Inc.	School District of Greenville County
School District of Greenville County	University of South Carolina
Spartanburg Regional Medical Center	U.S. Postal Service
Wal-Mart Associates, Inc.	Wal-Mart Associates, Inc.

Note: Due to confidentiality, the number of employees for each company is not available, and the employers are listed alphabetically rather than in order of size.

Source: South Carolina Department of Employment and Workforce.

FACULTY AND STAFF STATISTICS

Last Ten Fiscal Years

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Instructional Faculty										
Part time	331	328	341	333	300	298	353	355	356	364
Full time	523	524	524	505	509	511	526	534	522	531
Percentage tenured	68%	68%	69%	68%	68%	68%	67%	65%	66%	65%
Staff and administrators with faculty rank										
Full time	890	899	865	831	881	940	1,013	993	983	994
Full time permanent	869	874	844	806	823	879	916	876	864	856
Full time temporary	21	25	21	25	58	61	97	117	119	138
Other employees										
Part time temporary	206	195	181	168	120	109	166	160	183	168
Graduate assistants	162	149	147	155	175	154	156	171	169	173
Total employees										
Part time	699	672	669	656	595	561	675	686	708	705
Full time	1,413	1,423	1,389	1,336	1,390	1,451	1,539	1,527	1,505	1,525
FTE Students per full time										
Instructional Faculty	20.5	20.9	20.4	19.5	19.6	18.4	18.2	18.5	18.8	19.3
Staff member	12.1	12.2	12.3	11.9	11.3	10.0	9.5	9.9	10.0	10.3
Average annual faculty salary										
	\$ 96,352	\$ 93,453	\$ 90,583	\$ 85,420	\$ 82,401	\$ 79,440	\$ 79,414	\$ 76,664	\$ 77,350	\$ 77,145

Source: College of Charleston Office of Institutional Research - IPEDS Human Resources Survey.

SCHEDULE OF CAPITAL ASSET INFORMATION

Fall	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Academic buildings										
Net assignable square feet (in thousands)	847	847	895	832	827	803	803	751	751	728
Administrative and support buildings										
Net assignable square feet (in thousands)	325	325	333	328	318	275	275	281	281	286
Laboratories										
Net assignable square feet (in thousands)	263	263	263	234	229	203	203	190	190	175
Auxiliary and independent operations buildings										
Net assignable square feet (in thousands)	1,210	1,210	1,289	1,289	1,218	1,126	1,126	994	994	994
Libraries										
Number of volumes (in thousands)	2,597	2,260	2,490	2,365	2,306	1,965	1,681	1,626	1,521	1,495
Volumes per student	218	190	212	217	211	189	159	151	140	132
Student Housing:										
Residence Halls	7	7	6 (L)	7 (J)	7 (H)	8	8	8	8	8
Apartments	4	4	5 (M)	4 (I)	4 (I)	3	3	3	4 (B)	3
Other housing options	30 (P)	26 (O)	23	24 (K)	23 (E)	23 (E)	23 (E)	22 (C)	24	24
Units available	3,846	3,655	3,667	3,749	3,097	3,311 (F)	2,286 (F)	3,375	3,424	3,409
Units in use	3,763	3,529	3,471	3,700	2,949	3,274	2,067	3,247	3,358	3,261
Percent occupancy	97.8%	96.6%	94.7%	98.7%	95.2%	98.9%	90.4%	96.2%	98.1%	95.7%
Dining facilities:										
Locations	11 (Q)	10	10 (G)	10 (G)	10 (G)	10 (G)	10 (G)	11	11	11
Average daily customers	6,751	5,197	5,820	7,060	5,982	5,164	2,146	7,283	7,875	6,913
Parking facilities:										
Parking spaces available	1,791	1,734	1,511	1,469	1,436	1,701	1,691	1,691 (D)	1,792	1,719
Parking permits issued to students	728	707	596	534	476	577	422	615	693	702
Parking permits issued to faculty/staff	1,199	1,128	1,145 (N)	980	960	990	811	1,105	1,047	972

(A) One additional dining facility opened January 2016, averaging 172 daily customers in Fiscal Year 2016.

(B) Includes use of 29 rooms at NoMo for 2018-2019.

(C) 90 Wentworth and 107 Wentworth offline for renovation.

(D) 80 spaces in City's harbor front lot no longer available.

(E) 107 Wentworth offline.

(F) De-densified buildings due to COVID-19; Buist not assigned - used for isolation; 81 quarantine beds among other buildings.

(G) Stern offline - kitchen to be used as Catering kitchen.

(H) McAlister offline for renovation

(I) Includes use of 99 St. Philip

(J) College Lodge offline for renovation

(K) Includes use of Res Inn Ripley Point

(L) Buist offline for renovation

(M) 61 Vanderhorst Street leased

(N) Part time permits included

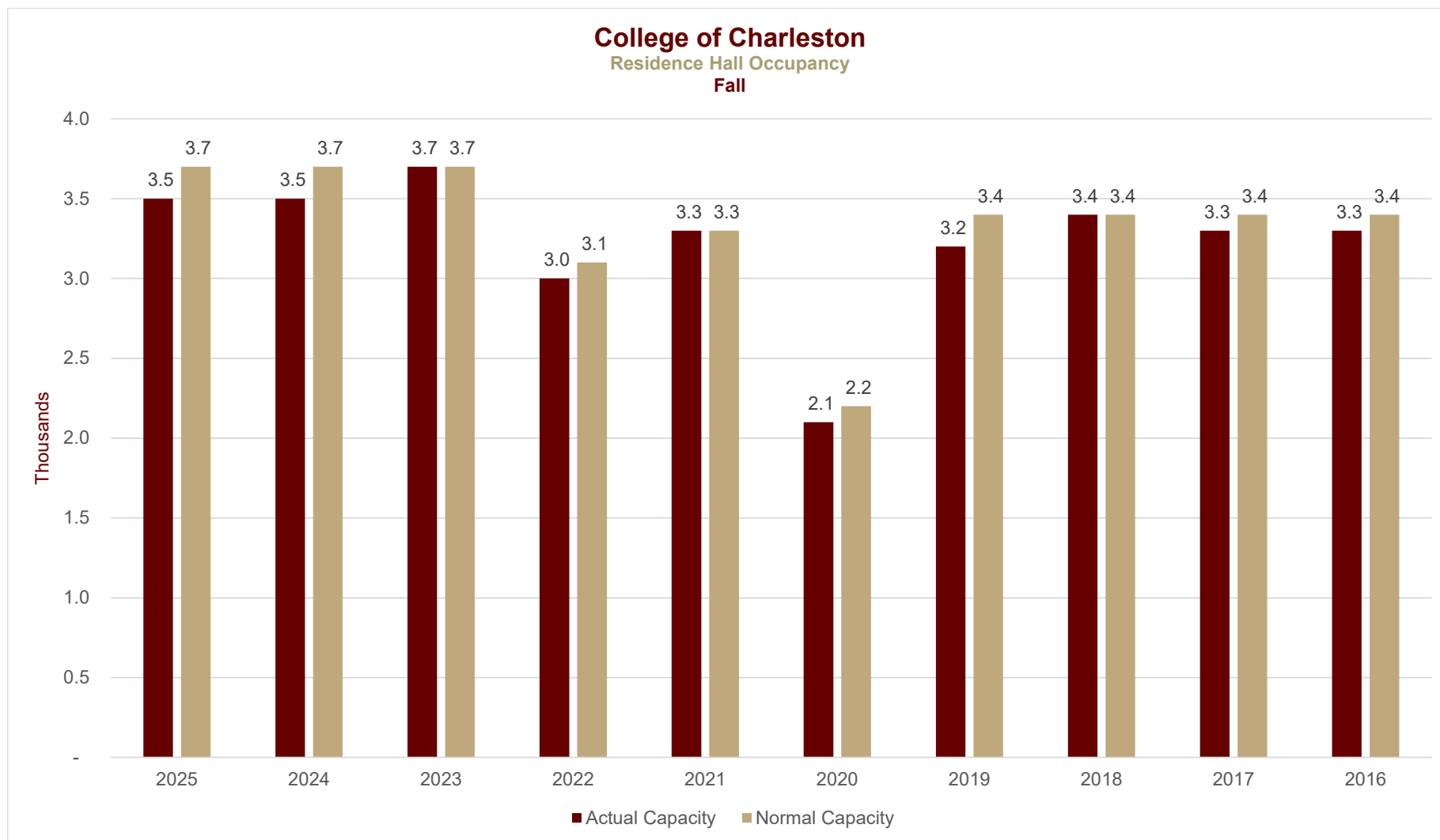
(O) Glebe Street houses - added in 2023

(P) 3 hotels (Residence Inn - Ripley, Hilton & Marriott - Lockwood) & 291 King Street

(Q) Clyde Snack Shack opened consistently this academic year

Sources:

Building square footage: College of Charleston Division of Business Affairs.
Libraries: College of Charleston Library.
Student Housing, Dining and Parking facilities: College of Charleston Campus Services.



Source: College of Charleston Office of Institutional Research.

Note: Occupancy and Normal Capacity were restricted during Fall 2020 due to COVID-19. If not for COVID-19, normal Capacity would have been 3.4.

ACADEMIC SUBJECT AREAS AND DEGREES OFFERED

Fall 2026

UNDERGRADUATE				GRADUATE	
Accounting	A.B., B.S.	Historic Preservation & Community Planning	A.B., B.A.	Artificial Intelligence and Data Science	M.S.
Advanced Manufacturing	UCER	History	A.B., B.A.	Accountancy	M.S.
African American Studies	A.B., B.A.	Hospitality and Tourism Management	A.B., B.S.	Accounting Data Analytics	CER
Anthropology	A.B., B.S.	Integrated Engineering and Business	A.B., B.S.	Arts and Cultural Management	CER
Archaeology	A.B., B.A.	Integrated Studies	B.I.S.	Business Administration	M.B.A.
Art History	A.B., B.A.	International Business	A.B., B.S.	Child Life	M.S.
Arts Management	A.B., B.A.	International Studies	A.B., B.A.	Communication	M.A.
Astronomy	A.B., B.A.	Jewish Studies	A.B., B.A.	Computer and Information Sciences	M.S.
Astrophysics	A.B., B.S.	Latin American and Caribbean Studies	A.B., B.A.	Creative Writing	M.F.A.
Biochemistry	A.B., B.A., B.S.	Management	A.B., B.S.	Cybersecurity	CER
Biology	A.B., B.A., B.S.	Marine Biology	A.B., B.S.	Early Childhood Education	M.A.T.
Business Administration	A.B., B.S.	Marketing	A.B., B.S.	Elementary Education	M.A.T.
Chemistry	A.B., B.A., B.S.	Mathematics	A.B., B.S.	Environmental and Sustainability Studies	M.S.
Classics	A.B., B.A.	Meteorology	A.B., B.A.	Executive Business Administration	D.B.A., M.B.A.
Commercial Real Estate Finance	A.B., B.S.	Middle Level Education	A.B., B.S.	Forensic Accounting	CER
Communication	A.B., B.A.	Music	A.B., B.A.	Geospatial	CER
Computer Information Systems	A.B., B.S.	Musical Theatre	UCER	Gifted and Talented Education	CER
Computer Science	A.B., B.A., B.S.	Nursing	B.S.N.	History	M.A.
Computing in the Arts	A.B., B.A.	Philosophy	A.B., B.A.	Languages	M.Ed.
Cultural Sustainability	UCER	Physics	A.B., B.A., B.S.	Learning and Inquiry in Practice	EdD
Dance	A.B., B.A.	Political Science	A.B., B.A.	Management Accounting	CER
Data Science	A.B., B.S.	Professional Studies	B.P.S.	Marine Biology	M.S.
Early Childhood Education	A.B., B.S.	Project Management	UCER	Mathematical Sciences	M.S.
Economics	A.B., B.S.	Psychology	A.B., B.A., B.S.	Mathematics with Computation	PhD
Electrical Engineering	A.B., B.S.	Public Health	A.B., B.A., B.S.	Multilingual Learners	CER
Elementary Education	A.B., B.S.	Religious Studies	A.B., B.A.	Operations Research	CER
English	A.B., B.A.	Secondary Education	A.B., B.S.	Performing Arts	M.A.T.
Entrepreneurship	A.B., B.S.	Sociology	A.B., B.S.	Public Administration	M.P.A.
Environmental and Sustainability Studies	A.B., B.A., B.S.	Software Engineering	A.B., B.S.	Software Engineering	CER
Environmental Geosciences	A.B., B.S.	Spanish	A.B., B.A.	Special Education	CER
Exercise Science	A.B., B.S.	Special Education, Multicategorical	A.B., B.S.	Statistics	CER
Finance	A.B., B.S.	Statistics	A.B., B.S.	Taxation	CER
Foreign Language Education	A.B., B.S.	Studio Art	A.B., B.A.	Teaching, Learning and Advocacy	M.Ed.
French & Francophone Studies	A.B., B.A.	Supply Chain Management	A.B., B.S.	Teaching Multilingual Learners	M.A.T.
General Engineering	A.B., B.A.	Sustainability and 21st Century Business Solutions	UCER	Urban and Regional Planning	CER
Geology	A.B., B.A., B.S.	Systems Engineering	A.B., B.S.		
German Studies	A.B., B.A.	Theatre	A.B., B.A.		
Global Leadership	UCER	Urban Studies	A.B., B.A.		
Health Services Administration & Management	A.B., B.S.	Women's and Gender Studies	A.B., B.A.		

A.B. - Artium Baccalaureatus (classical studies)	M.B.A. - Master of Business Administration
B.A. - Bachelor of Arts	M.Ed. - Master of Education
B.I.S. Bachelor of Integrated Studies	M.F.A. - Master of Fine Arts
B.P.S. - Bachelor of Professional Studies	M.P.A. - Master of Public Administration
B.S. - Bachelor of Science	M.S. - Master of Science
B.S.N.- Bachelor of Science in Nursing	DBA - Doctor of Business Administration
CER - Post-Baccalaureate Certificate	PhD - Doctor of Philosophy
M.A. - Master of Arts	EdD - Doctor of Education
M.A.T. - Master of Arts in Teaching	UCER - Undergraduate Certificate

Source: College of Charleston Office of Institutional Research.

COLLEGE OF CHARLESTON

ANNUAL COMPREHENSIVE FINANCIAL REPORT



Shaking hands with President Hsu at Commencement

